

Mr. ELLENDER. I defer to the majority leader.

Mr. BARKLEY. Mr. President, I was going to suggest that, inasmuch as this matter involves some discussion, we cannot dispose of it today, and that it go over as the pending amendment to the bill.

Mr. RUSSELL. I am very anxious to conclude consideration of the bill today, but it seems it is impossible to do so. Therefore I have no objection to the majority leader moving a recess at this time.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HARRISON. Since the consideration of the pending bill will go over until tomorrow, is it possible that a unanimous agreement be entered into by which a time shall be fixed for a vote on the pending bill? I do not wish to preclude anyone from reasonable discussion of the bill. I was very hopeful that we could take up consideration of the reciprocal trade agreements bill sometime tomorrow. Is it the purpose to have the session begin at 11 o'clock tomorrow?

Mr. BARKLEY. Yes.

Mr. HARRISON. Could we not agree that at a certain time tomorrow a vote shall be taken on the motion of the Senator from Louisiana and his amendment, and on the bill itself?

Mr. ELLENDER. Mr. President, I have no objection to the proposal made by the Senator from Mississippi. I believe I can make the proper presentation to the Senate of my amendment within 30 or 35 minutes or, at the most, 40 minutes.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ADAMS. I simply wanted to advise the Senator from Mississippi that if the rule is suspended and the amendment is submitted, there will be further amendments offered to the amendment which will involve a very extended discussion of the whole sugar situation.

Mr. HARRISON. So I presume there is no hope of obtaining a unanimous agreement with respect to a vote.

Mr. PEPPER. Mr. President, the Senator from Pennsylvania [Mr. GUFFEY] was called away from the floor this afternoon and desired that notice be given that he proposes to offer an amendment to the pending bill. I will read the body of the amendment, and then send it to the desk for consideration tomorrow. The Senator from Pennsylvania proposes on page 42, after line 23, to insert the following:

For a survey of forest influences in the Middle Atlantic States, to be used by the Allegheny Research Station, Department of Agriculture, \$35,000.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

#### EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Miss Mary S. Anderson, of Illinois, to be Administrator of the National Youth Administration for Illinois.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. BROWN in the chair). If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask that the first nomination on the Executive Calendar, that of Dorothy B. Keeling, to be postmaster at Camp Taylor, Ky., be passed

over, and that the remaining nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar, with the exception of the one requested to be passed over, are confirmed en bloc.

That completes the calendar.

#### RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 27 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 22, 1940, at 11 o'clock a. m.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate March 21 (legislative day of March 4), 1940*

#### POSTMASTERS

##### IOWA

Clare Dougherty, Allerton.

##### LOUISIANA

Carl C. Brown, Haynesville.

William F. Derrick, Pioneer.

Lois C. Adams, Roseland.

Elmer J. Dalfume, Sondheimier.

##### OHIO

George A. Zettler, Hamilton.

Dudley C. Smith, Niles.

##### PENNSYLVANIA

Wilson I. Shrader, Berwick.

Lee W. Fisler, Hummelstown.

J. Ross Owens, Parkesburg.

Mary C. Teater, Port Allegany.

## HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 21, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our heavenly Father, we would tarry at the altar of prayer in the serenity of Christian faith and with imperishable hope. As the night of Calvary will soon wear its robe of darkness, pierce it with a star which gives us visions of earth's darkness and heaven's light being dissolved into the radiance of eternity. Blessed Lord, the world has grown weary of its long, long tramp down the reaches of time. O let humanity forget its forced marches, its smiting aches, and gnawing despairs by remembering Him who opened the House of God for the parliament of man. We pray Thee to take us into the lonely garden of spiritual aspiration, to those Gethsemanes where the world will be behind us; there, beyond the city wall, reveal to us the imponderable things which enrich the soul and there inspire us to live lives that will last forever. O bring to our minds the agony of the cross, unveil it before our waiting eyes; may we feel our fragile might and our gross unworthiness. O come like a holy benediction, walking through the quiet chapels of our souls; hear our prayer amid the falling shadows and give us peace. We pray in His holy name whose pardon we seek and whose guidance we beseech. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendment to the bill (H. R. 4126) entitled "An act for the relief of Warren Zimmerman," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon; and appoints Mr. ELLENDER, Mr. SCHWARTZ, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 3481) entitled "An act for the relief of C. Z. Bush and W. D. Kennedy," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon; and appoints Mr. BROWN, Mr. SCHWARTZ, and Mr. CAPPER to be the conferees on the part of the Senate.

## ADJOURNMENT OVER

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## ELMA S. MOULTON

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

## House Resolution 430

*Resolved*, That there shall be paid out of the contingent fund of the House to Elma S. Moulton, widow of Hosea B. Moulton, late an employee of the House, an amount equal to 6 months' salary compensation, and an additional amount, not to exceed \$250, to defray funeral expenses of the said Hosea B. Moulton.

The resolution was agreed to, and a motion to reconsider was laid on the table.

## LEAVE OF ABSENCE

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent that I may be granted leave of absence for 2 days on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

## EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain tables and other excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the address of the gentleman from Virginia [Mr. ROBERTSON] at the Fifth North American Wildlife Conference.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## SECURITIES AND EXCHANGE COMMISSION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I asked for this time in order to say that the Securities and Exchange Commission, as now functioning, is rapidly falling to the low level of the National Labor Relations Board, and unless the Commission quickly improves its behavior it is headed for the same kind of wash-out that awaits the Board. The high reputation set by the Commission under the chairmanship of Joe Kennedy will not save it.

[Here the gavel fell.]

## EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wyoming [Mr. HORTON] may be permitted to extend his remarks in the RECORD on two subjects and include in each extension articles from the press.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. COLMER. Mr. Speaker, I ask unanimous consent that today at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

## TRUCE OF GOD

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. In view of the protestations emanating from belligerent countries concerning their reverence for religion and their dedication to lofty religious ideals, they might take a passage from history and emulate the Truce of God of the Middle Ages.

The original Truce of God or Truena Die, to give its Latin name, was one of the outstanding contributions of the church to civil life and practices. It was a successful attempt of the Christian Church to mitigate the practices of war and war's horrors.

It started with the Synod Elne in 1027 when that body decreed that warfare was illegal and suspended from noon on Saturday until prime on Monday. It was later extended from Wednesday evening to Monday morning every week, and in addition it is said to have lasted during the season of Lent and Advent, the three great feasts and vigils of the Blessed Virgin, those of the Twelve Apostles and other saints.

It reached its highest development in the twelfth century, when it was said to have left little but one-fourth of the year for fighting. It died out, however, when the kings succeeded nobles and the power passed from the church supported by the nobles to the kings. It was now the king's peace and not the church's.

It would be well, however, for all belligerents to recognize its appropriateness at this time of the year and present another chance for a genuine suspension on Easter Sunday.

## PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of business on the Speaker's desk and following the legislative program of the day and special orders heretofore entered, if any, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## CIVILIAN CONSERVATION CORPS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, the other day our distinguished colleague the gentleman from Oklahoma [Mr. JOHNSON] pointed out that the appropriation bill that would soon be coming up for consideration would reduce appropriations for the Civilian Conservation Corps, resulting in discontinuance of 273 camps. This bill is coming up for consideration and debate on the floor of the House today. There has been no more constructive or valuable work done in behalf of the unemployed youth of this country than that carried on by the Civilian Conservation Corps. No reductions should be made in the appropriation for that activity at this time.



Mr. Speaker, I have before me a clipping from one of my local newspapers, the Ely Miner, which came last week, that points out the tremendous value of the work C. C. C. Camp No. 711 is doing in that vicinity. I dare say the same remarks would apply to the C. C. C. camps in other sections of the country. These 273 camps should not be abandoned. Funds should be appropriated for them. I ask unanimous consent, Mr. Speaker, to revise and extend my remarks and include therein this comment from the Ely Miner.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The matter referred to follows:

[From the Ely (Minn.) Miner]

ELY MAY LOSE ONLY CONSERVATIVE CAMP SITUATED IN THIS AREA—  
DECREASE IN FEDERAL BUDGET BY CONGRESS TO DISBAND C. C. C. CAMP  
711—CIVIC CLUB PROTESTS—ELYITES URGE RETENTION OF CAMP TO  
COMPLETE WORK PROGRAM IN FOREST

The Ely territory may lose its only Civilian Conservation Corps camp, located at Portage River, because of a proposed cut in the appropriation for the C. C. C. which is expected to come up for consideration by Congress some time next month.

The decrease in the Budget, if it goes through, will mean that the Superior National Forest will be allotted six camps, instead of the present eight. Camp 711, at Portage River, stationed there since the corps was inaugurated in 1933, may be disbanded.

Secretary Ray Hoefer, of the Ely Commercial Club, has dispatched communications to Representative WILLIAM A. PITTENGER, of the Eighth Congressional District, and Senators ERNEST LUNDEEN and HENRIK SHIPSTEAD, urging them to "do everything in your power to secure the appropriation necessary to assist the Forest Service in carrying on its program."

Secretary Hoefer pointed out that a vast program of dam building and repairing throughout this part of the forest could be carried on.

Projects within a 15-mile radius of the Portage River camp have nearly been completed. It is understood that the Forest Service has the camp scheduled to move November 1 to Tofte Lake, on the Fernberg Trail.

What operations in this territory would include have not been definitely decided, but it is believed that they might comprise rebuilding the Fall Lake Dam and possibly work on a new dam for Prairie Portage.

A major camp site might be constructed on Lake One, at the end of the Fernberg Road, for use by the many visitors to the area who at the present time have no public facilities available. It is pointed out that from 15 to 20 cars stop here daily and that the long chain of fishing waters running up through Lakes One, Two, Three, Four, and into Lake Insula offer an ideal canoe route. Improvement of this area, including establishment of canoe camp sites, would probably be included in a work program for the Tofte Lake C. C. C. camp. Tree planting and timber-stand improvement work would also be included, and unquestionably a program which would last for from 5 to 8 years could be laid out.

Camp-site development has been one of the major accomplishments of the Portage River enrollees. They include the large grounds at Fenske, Sioux, and Meander, besides numerous small sites on boundary lakes for canoe parties. Lake surveys, timber-stand improvement, removal of fire hazards, planting, and other activities have been conducted.

The United States Forest Service's part in the operation of the camps is to lay out and supervise a work program.

A proposed \$65,000,000 cut in the appropriation for the C. C. C. is expected to become a major issue confronting Congress within the next few weeks. It will limit the number of camps in the United States to 300, which will mean that the Superior National Forest will lose two. The Portage River camp may go because its program has nearly been completed.

Six camps allotted to an area embracing three and three-quarters million acres is not enough, it is pointed out.

#### NATIONAL DEFENSE

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. Mr. Speaker, I notice in the Appendix of the RECORD, page 1546, a letter from our colleague the gentleman from Pennsylvania [Mr. FADDIS] that is worth reading. It is a letter to one of his constituents in regard to what defense means. I hope the gentleman will give us a real speech on this subject. I am getting letters constantly asking me to vote against all appropriations except those for defense. I should like to know what "defense" means. In the letter of the gentleman from Pennsylvania, which will be found on page 1546 of the Appendix of the RECORD, the gen-

tleman outlines in brief what he means by "defense." I ask you to read the letter. I hope the gentleman from Pennsylvania will give us a speech on that subject in the near future.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Does not the gentleman believe that appropriations for the National Youth Administration and the Civilian Conservation Corps are a mighty good, practical brand of national defense?

Mr. PIERCE. Yes; especially the Civilian Conservation Corps.

[Here the gavel fell.]

#### LABOR-FEDERAL SECURITY APPROPRIATION BILL, 1941

Mr. TARVER, from the Committee on Appropriations, reported the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 1822), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union.

Mr. ENGEL reserved all points of order against the bill.

Mr. TARVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes; and pending action on that motion, Mr. Speaker, I desire to ask unanimous consent that general debate shall be confined to the bill and that general debate may proceed throughout the day, the apportionment of time to be equally divided between the gentleman from Michigan [Mr. ENGEL] and me.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I want to inquire of the gentleman why we are not to have general debate. Why does the gentleman confine the debate to one subject? There are a good many Members who have been planning to speak today on matters outside of the bill. Of course, the gentleman from Georgia understands the bill has just been introduced in the House and very few Members have had an opportunity to examine it, therefore they would not be able to talk intelligently on the recommendations of the committee.

Mr. TARVER. May I say to the gentleman that our subcommittee unanimously reached the conclusion that with a bill involving \$954,000,000, upon which so many Members of the House desire to speak, especially with reference to certain controversial items involving the Civilian Conservation Corps, the National Youth Administration, and the Venereal Control Division of the Public Health Service, we ought to endeavor to give each one of those Members an opportunity to be heard, while if the usual rule permitting general debate on any subject, whether related to the bill or not, were observed, the result would necessarily be that a great many Members who want to talk about matters included in the bill would be precluded from such discussion.

I may say further to the gentleman that the subcommittee unanimously took action requesting the gentleman from Michigan [Mr. ENGEL] and myself to make this request of the House, and also requested that we not yield time to any Member of the House who does not desire to use such time for the purpose of discussing the bill. The only purpose of the request is to insure adequate opportunity to the membership of the House to express themselves on this bill and not have time uselessly consumed by those who desire to make speeches on subject matters not related to the bill and, oftentimes, for political purposes.

Mr. MARTIN of Massachusetts. Mr. Speaker, I do not at all agree with the statement of the gentleman. I think a good many of the speeches made in general debate are very helpful and effective, so far as the policy of the Government is concerned. It has been the rule to have general debate and I think the policy should be continued. I am not going to

give the gentleman permission to confine the debate entirely to the bill and, therefore, I object, Mr. Speaker.

Mr. TARVER. Mr. Speaker, I desire to proceed for just one moment to say—

Mr. MARTIN of Massachusetts. I reserve my objection, Mr. Speaker.

Mr. TARVER. That the gentleman's objection will not have the result he anticipates in view of the fact that neither the gentleman from Michigan nor I will yield time to any Member unless he assures us that he proposes to use such time in a discussion of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, this is most unsatisfactory.

Mr. TARVER. I appreciate the gentleman's position, but nevertheless the committee has taken this action.

Mr. MARTIN of Massachusetts. I object to the request, Mr. Speaker.

Mr. TARVER. I submit, Mr. Speaker, another request. I submit only the portion of the request that general debate shall continue throughout the day, the time to be equally divided and controlled by the gentleman from Michigan [Mr. ENGEL] and me.

Mr. MARTIN of Massachusetts. I reserve the right to object, Mr. Speaker.

Mr. DIRKSEN. Mr. Speaker, I would like to inquire for my own information, and I believe for the information of other Members of the House, as to when it is proposed to bring this on for a record vote, if any. I assume that general debate will run through today and then we will go over until Monday and Tuesday of the following week.

Mr. TARVER. I have been informed by the leadership that it is proposed to adjourn until Monday, out of deference to Members of the House who desire to be absent from Washington during Good Friday and over the week-end. As to the length of time general debate will continue, I want to assure the gentleman that there is no disposition on the part of the committee to limit general debate so long as there are Members of the House who desire to discuss the bill; but, of course, we cannot anticipate exactly how many Members may desire to make use of that privilege.

Mr. MARTIN of Massachusetts. Does the gentleman think he is going to take this bill up on Monday?

Mr. TARVER. After the conclusion of the District of Columbia business, which it is our impression will not require the entire day, it is our purpose to continue with general debate, if possible.

Mr. MARTIN of Massachusetts. Of course we could keep that committee going, if we saw fit, on Monday.

Mr. TARVER. Oh, I am sure that the gentleman would not care to indulge in any obstructive tactics.

Mr. DUNN. Did I understand the gentleman to say that we are not going to have general debate? I am in favor of general debate, and not debate that must be confined to the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently there is no quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 53]

Alexander	Burgin	Culkin	Gamble
Allen, Ill.	Byrne, N. Y.	D'Alesandro	Garrett
Andrews	Byron	Darden	Gavagan
Austin	Cannon, Fla.	Darrow	Gehrmann
Barden	Casey, Mass.	Delaney	Gerlach
Bates, Mass.	Clark	Dies	Hart
Beam	Cluett	Edelstein	Harter, N. Y.
Bell	Cole, Md.	Englebright	Hess
Bender	Cole, N. Y.	Evans	Hill
Bland	Connery	Fay	Hinshaw
Bradley, Mich.	Corbett	Ferguson	Hook
Bradley, Pa.	Courtney	Fernandez	Horton
Brown, Ohio	Creal	Flannagan	Hunter
Buckley, N. Y.	Crosser	Ford, Leland M.	Jacobsen
Burch	Crowther	Fries	Jarrett

Jeffries	McLean
Johnson, Ill.	Maas
Kennedy, Martin	Maclejewski
Kennedy, Md.	Magnuson
Kirwan	Mansfield
Kleberg	Martin, Ill.
Larrabee	Mason
Lesinski	Merritt
Lynch	Mills, Ark.
McArdle	Mitchell
McCormack	Monkiewicz
McGehee	Mouton
McGranery	O'Leary
McGregor	Peterson, Fla.
McKeough	Rayburn

Reed, Ill.
Risk
Ryan
Sabath
Sacks
Scrugham
Seccombe
Shannon
Sheridan
Smith, Conn.
Smith, Ill.
Smith, Maine
Somers, N. Y.
Sumner, Ill.
Taber

Taylor
Tenerowicz
Tibbott
Vinson, Ga.
Wadsworth
Wallgren
Weaver
Wheelchel
White, Idaho
White, Ohio
Wigglesworth
Winter
Wood
Woodruff, Mich.

The SPEAKER. On this roll call 306 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, including a message from Hon. William D. Leahy, Governor of Puerto Rico, to the Rivers and Harbors Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short article on flood-control costs.

The SPEAKER. Is there objection?

There was no objection.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a series of three articles I wrote for the Bergen Evening Record and an editorial on the same subject.

The SPEAKER. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a letter I sent this morning to the Secretary of State.

The SPEAKER. Is there objection?

There was no objection.

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing March 17 in the Chicago Sunday Herald-American, and also an editorial appearing on the same date on the same subject in the Decatur (Ill.) Herald.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROUTZOHN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the New York Times.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. KILBURN. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business of the day and other special orders, I be granted 15 minutes to address the House.

The SPEAKER. Is there objection?

There was no objection.

LABOR-FEDERAL SECURITY APPROPRIATION BILL, 1940

Mr. TARVER. Mr. Speaker, I desire to restate the unanimous-consent request which I made a few moments ago. I may say that this request is submitted after a conference with the gentleman from Massachusetts [Mr. MARTIN] and meets with his approval, and I trust it will not be objected to. I ask unanimous consent that general debate upon the bill may proceed throughout the day in the usual manner and under the usual rules, to be equally divided as to control between the gentleman from Michigan [Mr. ENGEL] and myself, and that in the further debate upon the bill after today general debate shall be confined to the bill.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. It seems to me that that is entirely reversing the proper order. The Committee on Appropriations, I believe, has about 35 or 40 members. They bring in a bill and take up a day or two with the members of the committee, who discuss it, or



who talk about everything except the bill. Then when they get down to the rest of us they want to limit us to the bill. I wonder if the gentleman would not reverse his proposition and have general debate today and then have it limited after today.

Mr. MARTIN of Massachusetts. That is exactly what the gentleman from Georgia asked.

Mr. RANKIN. Oh, no.

Mr. TARVER. Mr. Speaker, there is no purpose on the part of the committee to monopolize the time. On the contrary, every request that I have for time on the sheet before me today is from some gentleman who is not a member of the committee. I am sure that the members of the committee will be glad to defer their time for speaking until a later date. We are not trying to impose any undue restriction upon anyone, but I am simply endeavoring to assure that every Member of the House who wants to discuss the bill may have opportunity to do it. I certainly hope the gentleman will not object.

Mr. RANKIN. I may say to the gentleman from Georgia that all debate under the 5-minute rule is confined to the bill. There are a great many questions that ought to be discussed on the floor of the House; there are a great many questions in which Members are interested that they would like to discuss.

Mr. MARTIN of Massachusetts. As I understand it, anyone can speak today under general debate on any subject.

Mr. RANKIN. On any subject.

Mr. TARVER. And I will say further that it will certainly be my purpose and I am certain it will be the purpose of the gentleman from Michigan [Mr. ENGEL] to accommodate those Members who wish to discuss matters other than the subject matters of the bill today.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield.

Mr. DICKSTEIN. About when is it intended to start reading the bill under the 5-minute rule, on Monday?

Mr. TARVER. I wish to say to the gentleman from New York that it is not possible to determine when we may begin reading the bill. It is the purpose of the subcommittee, insofar as the matter may be influenced by the subcommittee, to accord to all Members who desire it opportunity to discuss the subject matter of the bill and to be heard, which undoubtedly may, if we have our way about it, continue general debate beyond Monday.

Mr. DICKSTEIN. At least the bill will not be read until after the disposition of District of Columbia business on Monday?

Mr. TARVER. No.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, with Mr. Buck in the chair.

The Clerk read the title of the bill.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. TARVER. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. The gentleman from Georgia is recognized for 30 minutes.

Mr. TARVER. Mr. Chairman, we bring you the first Labor-Federal Security Agency appropriation bill. There is no other general appropriation bill which carries so many items of such powerful and direct appeal to the hearts and minds of Members of Congress and of so much concern to the hopes and aspirations of the American people. Here are included

the interests of labor and the efforts of our Government to help labor in numerous ways; the program for American youth, as outlined not only under the Office of Education, with its grants for vocational education, but in the work of the Civilian Conservation Corps and the National Youth Administration. Here also are involved the anxious hopes of those seeking social security, of the aged and those who want to be able to look forward to old age with confidence; of the blind, the crippled, and dependent children; and of those seeking security in employment at a reasonable wage. Aside from these, there is a public-health program which touches the lives and happiness of all our people. There are differences of opinion as to how the numerous objectives of this far-flung program may be best achieved. There can be no reasonable difference of opinion as to the worthiness of these objectives.

It is but natural that your committee in endeavoring to make provision for activities such as these should have handled the subject matter sympathetically. It is but to be expected that you will not find here those drastic reductions below the Budget which have distinguished some of the appropriation bills at this session. One committee could cut out the price of one great battleship and save perhaps a hundred million dollars; but if this committee should undertake to save a hundred million dollars, it would have to destroy the National Youth Administration or cut the Civilian Conservation Corps in half. These huge expenditures for national defense may be necessary. I do not know. I do not think anyone else knows. I have felt obliged, as most of you have, to follow the advice of those who claim to know. But I do know the vital necessity which exists to protect the domestic interests of the American people, their happiness, their welfare, and I do not want us to make any mistake by failing to make adequate appropriations to assure these objectives insofar as they can be assured by governmental action.

On the other hand, there is the very reasonable fear that because of the worthiness of these programs, because of the way in which they necessarily tug at our heartstrings, we may permit ourselves to be swayed into action beyond the bounds of reason and common sense. We cannot as legislators forget that if we undertake, with howsoever worthy a purpose, to place upon our National Government financial burdens beyond its capacity to bear, that very fact will insure the eventual destruction of some of these activities that we strive to foster and which can only be maintained if we find a way to maintain them within the limits of our national financial ability. Those who would make huge increases in these appropriations, therefore, may be stimulating action which will finally destroy them, or some of them.

Your subcommittee has taken evidence for exactly 1 month on this bill. It has tried to arrive at reasonable conclusions as to what we can do safely, which is certainly not in all cases what could have been desired. You have, therefore, a bill written by men who are not only not antagonistic to the humanitarian activities for which it provides, but very sympathetic toward them; and I, therefore, feel justified in hoping that those who might desire to largely increase some items in this bill may be able to feel that such action would not only be unwise but might in the long run tend to defeat the very objectives which they have in mind.

Seldom has an appropriations subcommittee of this House discharged its duties with such absolute absence of partisan rancor or squabbling, such singleness of purpose to further the public interest, as in the case of the subcommittee preparing this bill. The result has been that we bring no partisan fight to the floor, so far as this subcommittee is concerned. The Republican Members will assume their share of responsibility for the presentation of the bill to the House, as will each member of the Democratic majority on the committee. Each of these gentlemen has agreed to assume particular responsibility for the presentation of the facts with regard to certain portions of the bill. The gentleman from Kansas [Mr. Houston] will have charge of the items relating to the Wage Hour Administration and the National Labor Relations

Board; the gentleman from California [Mr. SHEPPARD], the Social Security Board; the gentleman from South Carolina [Mr. HARE], the National Youth Administration; the gentleman from Michigan [Mr. ENGEL], the Civilian Conservation Corps; and the gentleman from Wisconsin [Mr. KEEFE], the Public Health Service. Thus, through concerted effort on the part of Members who have thoroughly studied the intricate details of this bill, we hope to present to the House facts which will justify every action proposed for their approval.

The committee report has been drafted in accordance with the instructions of the committee by our capable clerk, Mr. Jack McFall, whose untiring and efficient service has been of very great aid to the committee and justly entitles him to the commendation of all who are familiar with his work. We feel that the report drafted by him contains a wealth of interesting and authentic information which will be found valuable, not only by the membership of Congress but by the people of our country generally.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. TARVER. May I say to the gentleman I would prefer to defer yielding until after I have concluded a somewhat general presentation of the outstanding features of the bill?

Mr. DICKSTEIN. If that is more convenient to the gentleman, all right.

Mr. TARVER. I would prefer to take that course.

Mr. COCHRAN. Will the gentleman yield? Has the gentleman reached the Wage-Hour Division?

Mr. TARVER. No. I just stated to the gentleman from New York I would prefer not to yield for inquiries until I have completed a somewhat general presentation of the outstanding features of the bill.

#### APPROPRIATIONS AND ESTIMATES

The bill, as I have stated, carries proposed appropriations approximating \$954,000,000, which is approximately \$12,000,000 beneath the Budget estimate. We have not been able to effect reductions below the estimates of the Budget proportionate to those which have been effected by other subcommittees by reason of the facts I have heretofore referred to with reference to the particular desirability of adequate appropriations for the organizations with which this undertakes to deal. It has been impossible, therefore, to effect any very considerable economies.

May I call your attention to the fact, in this connection, that a major portion of the funds carried in the bill are used for the making of grants to States for various specific purposes with which you are familiar, and in the appropriation of tax moneys which have been collected by the Government for the benefit of certain classes of beneficiaries of social legislation, which, of course, in good conscience must be made available to those beneficiaries. The amount of these items in the bill aggregates approximately \$580,000,000 of the total of \$954,000,000. With regard to these particular items the subcommittee had very little, if any, discretion.

#### DEPARTMENT OF LABOR

I wish to begin first a brief discussion of the appropriations which are outlined in the bill for the Department of Labor and I shall confine myself to the most outstanding changes which may have been made or proposed in the bill submitted as the result of the subcommittee's action. I may say at the outset that the appropriations for the Department of Labor proposed in the bill are approximately \$3,311,000 more than the appropriation for that Department for the present fiscal year, although it is less than the Budget estimate by a sum in excess of a million dollars. The reason which brought about the reduction below the Budget estimates in the main is related to the estimate for the Wage and Hour administration, and I shall undertake to discuss the estimates for that agency in greater detail in a moment.

#### OFFICE OF THE SECRETARY

I may point out that we have effected a saving of some \$10,000 by the transfer from the Wage and Hour Division to the Central Personnel Office of the Labor Department of certain personnel activities which have been projected by the Budget for the personnel section of the Wage and Hour Division.

It was the belief of the committee that these duties could be performed under this jurisdiction as efficiently and more satisfactorily than in the Wage and Hour Division, and that the effect of the transfer would permit a reduction in the amount of appropriation for the item of approximately \$10,000, which we undertook to do.

There has been no other considerable reduction in the Budget estimates coming under the head of the Secretary's office, with the exception of the travel-expense item which is correlated to the deduction made in the estimate for the Wage and Hour Division, which, as I have said, I will undertake to discuss in a few moments.

#### DIVISION OF LABOR STANDARDS

There has been no substantial change in the estimate for the Division of Labor Standards except that the committee has reduced by two the number of field representatives who were proposed to be added to the work in the apprentice-training program. I may say that the committee has been very favorably impressed with the accomplishments of that program, but we felt that the addition of three field representatives instead of five for the next fiscal year would adequately provide for a further extension of this work.

#### CONCILIATION SERVICE

The committee has been very favorably impressed, as I feel sure have been the Members of Congress and the country, with the high character and great value of the work which has been and is being done by the Conciliation Service. We regretted very much to note that the Bureau of the Budget had failed to approve the increase requested by that Service for additional conciliators, who were urgently needed for the next fiscal year in the proper administration of the duties of that Service. We have thought, on the basis of the evidence submitted to us, that we were justified in adding \$30,000 above the Budget estimate to the appropriation for the Conciliation Service, the effect of which would be to provide substantially 10 additional conciliators to those that were contemplated in the Budget estimate. The Budget estimate itself contemplated an increase of 8 in the number of conciliators, and the effect of the committee action is to make the total increase in number 18.

#### DIVISION OF PUBLIC CONTRACTS

The Division of Public Contracts estimates have been approved without change, except for the matter of administrative promotions, which were eliminated in accordance with the rule adopted by the full Committee on Appropriations, and which policy of elimination has heretofore, in connection with certain other general appropriation bills, already received the approval of this House.

#### BUREAU OF LABOR STATISTICS

There has been no reduction in the estimate for the Bureau of Labor Statistics. The committee has been fully aware of the great value of the work being carried on under the direction of Mr. Lubin in that organization. Of course, there was the necessary decrease occasioned by the administrative promotion rule to which I have made reference, but instead of decreasing the estimates otherwise we have in reality added \$25,000 to these estimates for the Bureau of Labor Statistics, having made that amount available for their use in the printing and binding appropriation. The purpose of providing this additional \$25,000 was to enable this Bureau to print and make available part of the wealth of statistics it has gathered, and which it has so far been unable to have printed and made available for use. It has seemed to the committee that it is a rather foolish policy on the part of the Government to appropriate a considerable sum of money to enable the Bureau of Labor Statistics to gather information and then fail to appropriate enough money to enable it to publish this information and make it available to those who would benefit thereby.

#### IMMIGRATION AND NATURALIZATION SERVICE

In the Immigration and Naturalization Service the committee found what seemed to it to be a very unreasonable situation outlined in the Budget estimates. It was proposed to effect administrative promotions aggregating approximately \$128,000 in salary increases, but to do this by decreasing



ing the number of personnel; in other words, by dropping from the Service persons who are now engaged in the work of that organization and who in our judgment are urgently needed in the orderly and efficient continuance of that work. They proposed, for example, to drop 46 of the members of the border patrol and 50 field immigration inspectors. There appeared to us from the evidence to be no reason for the dropping of these portions of their personnel except a desire to have the money represented by their salaries made available to grant promotions to others who are to continue in the Service. While the committee observed the rule of the full committee with regard to eliminating new money for administrative promotions, it made this \$128,000, approximately, available to insure the continuance of the border patrol without diminution in number and to insure that not more than 37 of the field immigration inspectors who were intended to be dropped, 50 in number under the Budget proposal, would have to be separated from the Service. I believe, I may say, that the committee was favorably inclined to the retention of all the personnel of these two organizations, but it felt that under the circumstances represented by the evidence before the committee and the Budget estimates it could not go further than to take the course I have indicated. It certainly seems to us that with world conditions as they are today and with so many people of other countries of the world eager to enter the United States, either legally or illegally, this is no time to undertake to relax our efforts to keep our borders clear of those whose presence is not desired. For this reason we have amended the proposals of the Budget for the border patrol and the immigration field service.

There was projected in the Budget estimates \$25,000 for the construction and repair of the ferry slip and bridge at Ellis Island, which the committee thought might be postponed until the next fiscal year, and the estimate for it was eliminated in the pending bill.

#### CHILDREN'S BUREAU

As to the Children's Bureau, the committee made substantially no change in the estimates for the regular work of the Bureau except that it added some \$32,000 to the amount appropriated for the present fiscal year for the purpose of allowing the Bureau to discharge properly additional duties and responsibilities resting upon it by reason of the enactment of the amendments to the Social Security Act in 1939, which quite naturally increased its administrative expenses in the handling of maternal and child-welfare funds and funds for crippled children.

The amounts which were estimated as grants for the various purposes coming under the jurisdiction of the Children's Bureau, and to which I have made reference, have been carried in the bill as submitted by the Bureau of the Budget without change. These are matters involving certain increases with regard to which the committee felt it could exercise no discretion, and therefore has approved the increases made necessary by the amendments to the Social Security Act.

In the proportion of the projected appropriations for the Children's Bureau having to do with its duties in the administration of the child-labor provisions of the Fair Labor Standards Act, the committee found that a very substantial increase was contemplated beyond the appropriation available to that Bureau for this purpose during the present fiscal year. We therefore examined carefully the evidence which was submitted to us and which it was thought justified the increase sought. We found that the Bureau had for salaries and expenses for this item for the present fiscal year \$312,720 in addition to other amounts which are carried in the contingent expense, travel expense, and printing and binding items. We found that the Bureau during the entire course of its operations from November 1, 1938, until the time of the hearings before our subcommittee, had been able to discover only approximately 900 cases in the entire country of employment of children under 16 in violation of the child-labor provisions of the Fair Labor Standards Act.

This, of course, convinces us that there is a very small degree of violation of the provisions of that law, and we were also advised that most of the States of the Union have themselves child-labor laws which are, in most cases, adequately and efficiently enforced. It seems to us that providing the amount carried in this bill, in excess of \$300,000, for the discharge of duties which during the entire period from the inception of the fair labor standards law down to now have developed only 900 cases of law violation, was certainly liberal enough, if not too liberal, an appropriation of public funds. So it was the unanimous judgment of the committee that the amount of the appropriation for this particular portion of the activities of the Children's Bureau could properly be reduced to approximately the amount of the appropriation for the present fiscal year.

I wish to point out that we found in the Children's Bureau a practice which the committee desires to condemn as being unfair to the Congress, and it is this: In the estimates for the present fiscal year that Bureau projected 112 positions for which appropriations were asked and which were granted by the Congress, but the Bureau, instead of employing 112 people, employed for a portion of the fiscal year only 91 people, thereby not using all of the funds which would have been available for that portion of the year, and then during the latter portion of the fiscal year increased that number to 121, which was 9 above the number which had been estimated for in the estimates submitted to and acted upon by the Congress, and then came in this year with estimates which contemplated the continuance of these 121 employees for the next fiscal year and contemplated an appropriation of funds to pay their salaries in full for the entire year. We felt that the Bureau was not justified in employing any greater number of employees than it had assured Congress, at the time its appropriations for this fiscal year were granted, would be needed, and we therefore took proper steps to assure that not more than the number of 112, which they had assured would be the number needed, should be employed for the next fiscal year.

It is unnecessary to discuss the items of grants for maternal and child health, crippled children, and child welfare. You understand, of course, as I have already stated, these are not matters which are within our discretion, but which have been increased in accordance with legislative action taken by Congress last year in the amendments of the Social Security Act.

#### WOMEN'S BUREAU

There has been no substantial change in the estimates for the Women's Bureau except, after deducting the administrative promotion money which has been included in the estimates, the committee added \$3,000 for the purpose which is outlined in the report and which results in a total increase for that Bureau above the Budget of \$1,050.

#### WAGE AND HOUR DIVISION

In the Wage and Hour Division of the Department of Labor we found that estimates had been submitted and approved by the Budget aggregating somewhat in excess of \$7,400,000, when the contingent expense, administrative expense, and printing and binding items are taken into consideration, which amount was approximately \$3,169,000 in excess of the appropriation available to that Division for the present fiscal year.

The committee went into the matter of the needs of the Wage and Hour Division carefully. We had before us the Secretary of Labor and also the new Wage and Hour Administrator, Colonel Fleming. Colonel Fleming, I may say, of course, had nothing to do with the preparation of the Budget estimates, since his incumbency as Wage and Hour Administrator came up long after these estimates were prepared and submitted to the Congress. Both Colonel Fleming and the Secretary of Labor indicated that they proposed certain revision and correction in regulations which would simplify, in their opinion, the work of the Wage and Hour Division and make it more satisfactory and beneficial to the people of the country.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield myself 15 additional minutes.

They indicated by their evidence that the effect of such simplified procedure would be necessarily to reduce the expenses of the Wage and Hour Division. In view of the fact that Congress entertained the opinion, or at least it was the opinion of the subcommittee that that was the opinion of the Congress when the Wage and Hour Act was passed, that it would be in a large measure self-policing and that it would not be necessary to set up any organization comparable to the old N. R. A. in order to enforce its provisions, and in view of the further fact that its appropriations have been increasing by leaps and bounds ever since it was originally organized, the committee felt that a reduction of a rather substantial nature in the amount of the estimates for the Wage and Hour Division was amply justified. So it made this reduction which, however, when all the items concerned are taken into consideration, nevertheless leaves the Wage and Hour Division \$1,644,000 more for the next fiscal year than it had for the present fiscal year, although the reduction below the estimates submitted and approved by the Bureau of the Budget is somewhat in excess of \$1,000,000.

Turning now to the Federal Security Agency, I must necessarily make my remarks brief, because I do not want to exhaust the patience of the House.

Mr. HEALEY. Mr. Chairman, before the gentleman leaves that subject will he yield to me for a moment?

Mr. TARVER. Yes; if the gentleman's inquiry relates to some item that I have already discussed.

Mr. HEALEY. It relates to the wage-hour appropriation. The committee cut the Budget estimate by about 20 percent.

Mr. TARVER. I have not figured out the exact percentage. I have tried to give the facts, indicating the amount involved, and also pointed out that with the cut the Wage and Hour Division still would have \$1,644,000 more than it had for the present fiscal year.

Mr. HEALEY. That is true, but the gentleman's committee has recommended a substantial cut.

Mr. TARVER. Yes.

Mr. HEALEY. Of more than a million dollars.

Mr. TARVER. Yes.

Mr. HEALEY. I am sorry that I did not hear the gentleman's full explanation as to why that was made.

Mr. TARVER. I would dislike to take the time now to repeat what I said. I should be glad to discuss it further with the gentleman after I have concluded my remarks, if he so desires.

Mr. HEALEY. In reading the report I find the committee found some fault with the Administration and state as one of the reasons for the recommendation of a cut of a million dollars that certain legislation has not yet been considered, and that until that legislation is considered, they feel they should recommend this cut. It seems to me that recommending legislation is beyond the functions of the Committee on Appropriations.

Mr. TARVER. There are other reasons stated in the report in line with the statements that I have just made to the Committee of the Whole than the reason which has been quoted by the gentleman from Massachusetts.

Mr. HEALEY. That is the reason given in the report, and it seems to me the gentleman's committee is not organized to recommend legislation.

Mr. TARVER. I do not know that the committee is in the attitude of recommending legislation by reason of the quoted statement in the report. There is, however, an indication in the evidence on the part of Colonel Fleming, as I recall, that amendments to the act may be desirable, regarding which he has not yet arrived at a fixed conclusion. I know there is entertained by a number of Members of the House, if not a majority of the House, an opinion that there are some amendments which might very well be made, which would be in the interest of fair administration of the act.

The committee has not undertaken to determine that question, not being a legislative committee. I am sorry that I

cannot yield further to the gentleman, because I have already used so much time on the first title of this bill that I am going to have insufficient time, unless I impose a great deal on the patience of the House, to discuss other important subject matters. I must decline to yield further.

Mr. HEALEY. Will the gentleman yield for a short observation in line with what he has said?

Mr. TARVER. Yes.

Mr. HEALEY. I do not think the gentleman has any better information than anyone else about the temper of the House regarding proposed amendments.

Mr. TARVER. Of course, if the gentleman thinks the cut is more than should have been made, he can offer an amendment when we get to that stage of the bill, and we will then take the judgment of the House, and that will be final.

#### FEDERAL SECURITY AGENCY

We have embodied in the report on the bill certain recommendations looking toward the consolidation of administrative functions in the office of the Administrator of this Agency with a view of attaining some economies. We recommend, for instance, that all contingent expenses, traveling expenses, and printing and binding be consolidated under those respective heads under the jurisdiction of the Federal Security Administrator. It will be possible for him to then make allotments from this fund to all of the constituent agencies and hold down the amount of travel and other expenditures.

The Federal Security Agency, with all of its branches, had for the fiscal year 1940, the present fiscal year, in excess of \$812,000,000. The Budget estimates for 1941 contemplate an appropriation of \$798,714,000 in round numbers. The committee has reduced that amount to \$788,759,400, representing a reduction below the Budget estimate of \$9,955,288. My time is necessarily too brief to enter into a discussion of all of the items here involved. I shall not refer to those which are comparatively of a minor character.

#### OFFICE OF EDUCATION

I do wish to point out that under the Office of Education we have eliminated the provision of \$40,000 for a radio service and \$106,400 for a film service. The reason for that elimination is that after consultation with the Parliamentarian we arrived at the conclusion, upon his advice, that those appropriations, or proposed appropriations, are not authorized by law and would be subject to points of order if the committee should undertake to report them in this bill to the House. It was not the desire of the committee that we should recommend any legislative matter in connection with the appropriations for any regular establishment of the Government. In addition we eliminated the sum of \$72,000 which had been proposed for public-service training, which had to do with the training of people in public service, such as policemen, firemen, and so forth, with the purpose of improving their efficiency to carry on work in a public-service capacity. We did not think the work done had demonstrated the advisability of the Government undertaking to continue an activity of that sort.

In connection with the appropriations for vocational education the committee has followed the estimates submitted by the Budget, with the exception of the item having to do with vocational rehabilitation. I may say that there is no other item in the bill with regard to which the committee was more sympathetically inclined. We feel that the work which is being carried on by reason of the grants made for vocational rehabilitation is of extreme importance to the people of the country as a whole, but here is the situation: We had an authorization of approximately \$1,900,000 for this work for the present fiscal year. Prior to the enactment of the Social Security Act amendments there was actually expended by the States in carrying on that part of the program somewhat in excess of \$2,100,000. The authorization was raised in the Social Security Act amendments to \$3,500,000, and it was proposed in the bill as submitted by the Budget to authorize allocation of funds as between the States upon the basis of \$3,500,000. After carefully examining the evidence relating to the matter, we found that only about seven States, upon the



basis of expenditures being made by them during the present fiscal year, would, on the basis of their present expenditures, be able to match the full amount of funds which might be allocated to them under such an enlarged authorization; and the committee felt that under these circumstances it would be fair to approach the consummation of the full extent of the program which has been authorized somewhat more gradually than has been proposed, and that the authorization for the allocation of funds as between the States might very properly be reduced from \$3,500,000 to \$3,000,000, and the actual appropriation carried in the bill from \$2,500,000 to \$2,000,000, which appropriation would still be approximately \$100,000 in excess of the former authorization. We do not feel that the projected action would be at all harmful to the orderly carrying on of this work.

If we had felt so we certainly would not have taken the action which has been recommended. It necessarily follows that if under the allocation of the \$3,000,000 which it is proposed to allocate here to the States on the basis of a matching program, more than the \$2,000,000 carried for appropriation in the bill should be required to meet payments under those allocations, then, of course, it would be necessary for Congress through the medium of a deficiency appropriation to take care of whatever deficiency might exist.

#### CIVILIAN CONSERVATION CORPS

I wish to make reference, and I wish I had the opportunity to talk at somewhat greater length on the subject than will be my privilege, to the work of the Civilian Conservation Corps. I do not know of any subject matter which is of such deep interest to the membership of the House as well as to the people of the country as a whole. There was available for this work during the present fiscal year approximately \$295,000,000, of which amount \$5,000,000 was impounded and of which about \$3,000,000 was used in the discharge of obligations incurred during the fiscal year 1939, leaving for this work for the present fiscal year approximately \$287,000,000 with which 1,500 camps are being maintained with a total authorized enrollee membership of 300,000. The average membership has been 270,000.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Will not the gentleman wait until I complete my discussion of this item? Then I will yield.

Mr. O'CONNOR. I am deeply interested in this.

Mr. TARVER. I know. As soon as I finish discussing the Civilian Conservation Corps item I will yield to the gentleman from Montana.

The CHAIRMAN. The gentleman from Georgia declines to yield.

Mr. TARVER. The Budget estimate reduced the amount available for the Civilian Conservation Corps to \$230,000,000, which it was estimated would provide for 1,227 camps and for a peak enrollment of 245,000 enrollees. While this is a lump-sum appropriation, the committee examined very carefully the item of estimates for administrative expenses and reached the conclusion that while we could not, under the set-up of the bill, earmark the various items for various purposes described in the estimates, that it would be easily and reasonably possible for the administrative authorities of the Civilian Conservation Corps to effect economies which could not but result in the saving of several millions of dollars. I wish to point out to you that during the last fiscal year approximately \$4,500,000 of the appropriation then available was not used and reverted to the Treasury as a saving. I wish to point out also that during the first 6 months of the present fiscal year the Civilian Conservation Corps lacks about \$4,000,000 of having expended one-half of the \$287,000,000 made available for the present fiscal year.

The average estimated cost per enrollee for the next fiscal year for pay, subsistence, and clothing, hospitalization, and so forth, is around \$600. The total expense per enrollee as estimated for the next fiscal year—not for the present fiscal year—is around \$1,000, making the expense, aside from pay, subsistence, clothing, transportation, hospitalization, and so forth, approximately \$400 per enrollee, which the committee is satisfied represents entirely too great an expenditure for the purpose for which it is expended. We arrived at the

conclusion, because of these and other facts which I find it impossible to make reference to in this brief time, that it would be easily possible to add \$6,000,000 to the \$137,000,000 plus which was earmarked in this bill when it came to our committee for the pay, subsistence, and clothing items of the enrollees, thereby insuring the addition of approximately 10,000 enrollees.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield myself an additional 15 minutes in an effort to conclude my discussion of the bill.

Mr. Chairman, this will mean an addition, considering an average membership for these camps of 180 enrollees, of about 55 camps. There were some members of the committee who thought that a greater number of camps should be added, but conservatively it may be said as is indicated in the committee's report that it will make provision for 55 additional camps, bringing the total number for the next fiscal year to 1,282. If additional savings can be made in administrative costs, the number of camps can be increased, of course, still further. I yield to the gentleman from Montana.

Mr. O'CONNOR. I just want to make an observation. I deeply regret there has been any cut in the operations and the extent of the work of the C. C. C. camps. We have a large territory of forests in my district and these boys have done effective and heroic work in regard to reforestation, the preventing of fires, and the building of roads through the forests, which are very much needed, as well as splendid work along other lines.

Mr. TARVER. I am quite familiar with the value of the work to which the gentleman refers that has been carried on generally throughout the country. Personally I do not think there is any activity of the Government which is more commendable than that of the Civilian Conservation Corps. For this reason the committee has endeavored to take steps which will insure a reduction in administrative expenses and at the same time increase the number of enrollees, to which I have made reference.

I want to call particular attention to the facts developed in the hearings with reference to the benefit of the civilian-conservation work as carried on by Negro enrollees. I have some of these Negro camps in my State and have had one or two of them in my district. The evidence shows conclusively that these Negro camps have been performing useful work in soil conservation and in other lines of activity under the jurisdiction of the Civilian Conservation Corps, and, insofar as it has been called to the attention of the committee, there has been orderly conduct on the part of these Negroes in the C. C. C. camps, for which they are certainly to be commended. I feel that the activity insofar as it relates to them is very important in the building up of a better citizenship among the members of the colored race.

Mr. GIFFORD. Mr. Chairman, is not the gentleman going to yield on that topic which he has just been discussing?

Mr. TARVER. I shall yield to the gentleman from Massachusetts at almost any time.

Mr. GIFFORD. I am deeply interested in that. I was very familiar with those camps. I have seen them built and abandoned. There were young people you helped in the N. Y. A. by giving them two or three hundred dollars. Can the gentleman justify \$1,000 or \$1,200 for the boys in the conservation camps? Can he justify any such expenditure, when other boys and girls you can do so much for with \$300?

Mr. TARVER. Of course, the gentleman knows that the sum he mentions as representing the cost of enrollees is excessive. The estimate, as I have stated, for the next fiscal year is \$1,000, of which only \$600 represents the pay of an enrollee, his subsistence, clothing, and hospitalization, and so forth; \$400 goes into the item of materials, equipment, salaries, and other overhead items which are necessary in the consummation of these very useful projects which have been carried on. No; I do not think the amount is excessive, and I do not believe the people of the country consider it excessive. I think they regard it as a very reasonable expenditure. But I think the amount of administrative cost may be reasonably reduced so as to provide a greater number of enrollees.

Mr. GIFFORD. I want to pursue that, if the gentleman will yield further.

Mr. TARVER. I shall have to yield to the gentleman from Arkansas.

Mr. ELLIS. Mr. Chairman, further answering the gentleman's question, is it not also true that the items we call expenditures totaling the \$1,000 are actually not expenditures altogether, because some of it adds to the capital wealth of the Nation in the form of various improvements which these boys produce?

Mr. TARVER. Indeed so. I am in hearty accord with the gentleman's statement.

#### PUBLIC HEALTH SERVICE

May I make brief reference to the Public Health Service. There are no severe cuts in the estimates as submitted by the Budget under the various items. The committee felt justified, under all the evidence submitted, in adding \$2,000,000 above the Budget for the Division of Venereal Diseases, making the appropriation for that Division \$5,000,000, which will be sufficient to carry on its work for the next fiscal year upon the same basis that it has been carried on during the present fiscal year. We were impressed with the thought from the expressions we have had from the health authorities and other people interested that the allowance of that sum will, in the main, be satisfactory to those who are interested in this appropriation throughout the country, and represents the full extent to which we think we would be justified in going above the Budget estimate at this time.

#### SOCIAL SECURITY BOARD

Under the Social Security Board there has been a reduction of \$10,000,000 in the amount of the estimate for old-age assistance. Of course, old-age-assistance funds are something which the Government has to furnish if the demands of the State on the matching basis are in excess of the amount provided. If that occurs, the additional money will have to be provided for through a deficiency appropriation. But during the first two quarters of this fiscal year they used only \$55,000,000 in each quarter approximately, while the estimate for the present quarter is only \$60,000,000. However, the expenditures will probably not be up to that amount. But accepting that as representative, the committee thought \$240,000,000 might be needed, and it has provided \$245,000,000, giving a leeway of \$5,000,000, which is a reduction of \$10,000,000 under the estimate.

We have effected a reduction of \$300,000 in the appropriation for the expense of administration of unemployment compensation. There are some interesting facts in regard to this activity that I shall not have time to discuss, but with regard to which I hope gentlemen will find time to consult the hearings.

#### NATIONAL YOUTH ADMINISTRATION

The National Youth Administration estimates have been approved in the lump sum recommended by the Bureau of the Budget. I realize there is some difference of opinion on the part of the membership of the House as to the desirability of the work being carried on by the N. Y. A., but, personally, I feel it is just as important to afford aid of this character to the poorer youth of the country in the securing of an adequate education to enable them to earn a livelihood as it is to carry on the commendable conservation work, conserving both human and natural resources, which has been carried on under the direction of Congress during the last several years.

The committee felt that perhaps in some of its activities the National Youth Administration has gone beyond the real objectives that the Congress had in mind in setting up that agency, and the committee has included in the bill a specific definition of the projects upon which the Youth Administration will be authorized to engage, the effect of which will be to restrict some of its activities during the next fiscal year, thereby adding something to the amounts which may be made available for school and out-of-school aid.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Montana.

Mr. O'CONNOR. This is another cut in the appropriations that seems to me unfortunate. I believe this has been one of the most far-reaching and beneficial activities in which the Government has been engaged. We have millions of youths today who are unemployed, who cannot get employment, and cannot get an education. This activity afforded, in a small measure, an opportunity for the youths of the Nation to become experts in different lines of work and receive a reasonable education. In my own State the N. Y. A. has been, and is now, of splendid service.

Mr. MURDOCK of Arizona. I fully endorse this gentleman's view concerning the N. Y. A.

Mr. TARVER. I am quite in accord with the gentleman's last statements.

#### EMPLOYEES' COMPENSATION COMMISSION

The Employees' Compensation Commission's appropriation is not substantially reduced, and the reasons for the reductions made are explained in the report.

#### NATIONAL LABOR RELATIONS BOARD

There has been some reduction in the estimates for the National Labor Relations Board. It should be pointed out in this connection that the National Labor Relations Board had brought to its attention, in the fiscal year 1938, some ten-thousand-and-odd cases. During the 1939 fiscal year this number was reduced to approximately 7,000, and during the first 6 months of the present fiscal year the number has been 3,035. The committee has felt that in view of this reduction in the number of cases coming to the attention of the Board some reasonable reduction in its operating expenses might be effected. Also, we have made provision for the elimination of the research section, composed of 14 economic analysts, which, with clerical help, bring the total number of persons employed in this Division up to approximately 30. We have felt that the Bureau of Labor Statistics, which has been set up for that purpose, is amply able to take care of the reasonable needs of the National Labor Relations Board for statistical information.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. With regard to the inquiry of the gentleman from Massachusetts about the expense of operating the C. C. C. camps, may I ask the gentleman if it is not his opinion that it is not fair to try to hold down a committee in considering these measures to valuing them by dollars and cents?

Mr. TARVER. Of course, there are certain other values which must be taken into consideration by any reasonable person and I am sure will be taken into consideration by all the Members of the House. I am quite in agreement with my friend from Oklahoma in the sentiment he has expressed.

#### NATIONAL MEDIATION BOARD

There has been very little change, and that of a minor character, in the appropriation for the National Mediation Board.

#### RAILROAD RETIREMENT BOARD

As regards the Railroad Retirement Board, a \$52,000 reduction has been accomplished—\$2,000 from the printing-and-binding item and \$50,000 from the rent item, occasioned by the occupation of the new Social Security Board and Railroad Retirement Board Building at an earlier date than had been expected.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Indiana.

Mr. LUDLOW. Unfortunately I have not been able to be here to hear all the very admirable presentation the gentleman is making on his bill. I wonder if the gentleman has touched on the appropriation for venereal diseases, and if not, I should like to hear an explanation of that item.

Mr. TARVER. I pointed out to the House that the committee had effected an increase above the Budget estimate of \$2,000,000, bringing the full amount to \$5,000,000, the same amount that is available for the present fiscal year.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from New York.



Mr. DICKSTEIN. The gentleman has discussed the question of the Labor Department appropriation. My attention has been called to the fact that the appropriation has been cut below the appropriation for 1940, and that this will result in eliminating the positions of about 129 immigration inspectors and other personnel. The gentleman has just explained that the border patrol is not receiving any cut, but why should it be necessary to cut the immigration service any amount?

Mr. TARVER. May I say to the gentleman that the committee, of course, has had to pay some regard to the estimates submitted by the Budget. The committee has exceeded the estimates of the Budget for personnel by \$128,000 in order to take care of this pressing border patrol and field immigration service matter and to prevent undue reductions in those activities. It has seemed to the committee impossible that it could, in the exercise of its judgment, undertake to go further than that in exceeding the estimates which were transmitted to the Congress by the President as representing the views of the Budget and of himself.

Mr. DICKSTEIN. The gentleman has made a very excellent statement—that in these times we need every man on the job we can get to deal with the enforcement of the immigration laws.

Mr. TARVER. I quite agree with the gentleman.

Mr. DICKSTEIN. You are practically breaking down the enforcement when you reduce the appropriation for the Immigration Service below the 1940 appropriation. It seems to me that is poor economy, and that we are not going in the right direction by saving a few pennies through knocking off 40 or 50 men who are in charge of important work.

Mr. TARVER. There is very much logic in the gentleman's position, but, as I have said, the committee went as far as it felt it could under the circumstances.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. The committee has the support of the thinking people down on my border when it comes to restoring the patrol on the international line.

Mr. TARVER. I thank the gentleman. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman from New York [Mr. KILBURN] such time as he may desire.

Mr. KILBURN. Mr. Chairman, the announcement by the State Department recently that active negotiations are again under way between the United States and Canada looking forward to another agreement and treaty on the Great Lakes-St. Lawrence waterway and power project should be welcomed by all. Reports from Canada indicate that the Ontario Government is now supporting the project and that the sentiment of dominion unity furthered by the war will help overcome the forces which heretofore have been opposed to the development. I sincerely hope that the negotiations may be concluded at an early date and a treaty submitted by the President to the Senate for its consent to the ratification.

The question raised by opponents of the project that such a treaty will violate our neutrality because Canada is now a belligerent nation is absolutely false. I refer to a letter which I received from Secretary of State Hull and inserted in the RECORD, March 7, 1940, in which Mr. Hull advised me that such a treaty would in no way affect our neutrality.

As an ardent supporter of the St. Lawrence waterway and power project, I am happy to have this opportunity to say a few words in its furtherance. It is my privilege to represent the Thirty-first New York Congressional District in the House of Representatives, and I have a special interest in the St. Lawrence development since the river marks the northern boundary of a part of my district. The residents of northern New York State are almost unanimous in their support of the waterway and power project. For two decades now we have been looking forward to this development which will open the St. Lawrence and the Great Lakes to ocean shipping and provide large quantities of cheap electric power. I trust that we may be pardoned for our special interest in the project. Undoubtedly northern New York will benefit much from the

increased shipping and cheap power, but we sincerely believe that not only the Great Lakes region but the Nation as a whole will profit considerably from the completion of the development. And I trust that when another treaty is submitted to the Senate the mistake of almost exactly 6 years ago, March 14, 1934, will not be repeated.

#### NOT A PARTISAN PROJECT

This is not a partisan project. The original surveys were started in the Wilson administration. Presidents Harding and Coolidge both advocated joining with Canada in improving the St. Lawrence, and it was in President Hoover's administration, 1932, that the treaty was finally signed. President Roosevelt has long been a supporter of both the navigation and power aspects of the development. Both the Republican and Democratic Parties have pledged themselves at various times in their platforms to undertake the completion of the Great Lakes-St. Lawrence waterway.

#### FORTY-SEVEN-MILE BOTTLE NECK

The Great Lakes-St. Lawrence waterway is the most important navigation and power project now before the country. Ocean shipping and reduced transportation costs will be brought to the Great Lakes ports by deepening the channels and removing certain obstructions in only 9.6 percent of the total mileage of the seaway. The other 90.4 percent of the waterway is complete and ready for ocean shipping. In the International Rapids section between Lake Ontario and Montreal large amounts of cheap electric power will be generated, and the United States, through the Power Authority of the State of New York, will receive one-half of the output. The project is economically sound and will provide great benefits in the way of increased trade, lower transportation and power costs to the Great Lakes region and the Nation as a whole.

The Waterway, extending a distance of 2,350 miles from Duluth-Superior to the Atlantic Ocean, has already been improved to a minimum depth of 21 feet except in the short section of the St. Lawrence River between Ogdensburg and Montreal. In that 120-mile section there are now 47 miles of 14-foot canals. This section forms a bottle neck which prevents the passage of most ocean-going vessels and makes Montreal virtually the head of ocean navigation and the transshipment point for inbound and outbound commerce. The treaty of 1932 in substance was an agreement between the United States and Canada to complete the improvement of the existing waterway to provide a minimum depth of 27 feet from the Great Lakes ports to the Atlantic Ocean.

The major portion of the work provided for in the treaty will be done in the International Rapids section of the St. Lawrence River, which forms the boundary between the State of New York and the Province of Ontario. There two dams will be built and ocean-going vessels will be passed around them by canals and locks. The dams will also be used to generate 2,200,000 horsepower of electrical energy, which will be shared equally between the United States and Canada.

#### NINETY-SEVEN PERCENT UNRESTRICTED

The completed seaway from Duluth to the Atlantic Ocean will provide a waterway in which vessels may move with unrestricted speed over approximately 97 percent of the total distance. The time required for navigation by ordinary cargo vessels from Duluth or Chicago to the ocean is estimated at approximately 9 days.

The total cost of the project is estimated at \$543,000,000; the share of the United States under the 1932 treaty was to be \$272,000,000 and that of Canada \$271,000,000. The United States is already credited with expenditures totaling \$14,000,000 and Canada is credited with \$128,000,000 already spent on the Welland Canal.

The New York Power Authority has agreed to assume \$90,000,000 of the cost to the United States as the allocation to New York's St. Lawrence power development. This reduces the new expenditure required by the United States on account of the seaway to \$168,000,000. There may be some slight readjustments in plans, estimates, and cost allocations growing out of the present negotiations, but it is not anticipated that they will be substantial.

## WILL STIMULATE TRADE

As has been indicated there are two main considerations in the St. Lawrence project—navigation and power. The completion of the seaway will admit the great majority of ocean vessels from the Atlantic Ocean clear into the Great Lakes and add 3,500 miles to our coast line. As a result the cost of transportation to the seaboard and foreign ports of the agricultural products of the Plains States and the automobiles and other industrial products of the Lake States will be reduced materially. Thus the midwestern manufacturer and farmer will have an opportunity to get closer to equal terms with the eastern and Pacific seaboard and to recover the disadvantage which became effective with the completion of the Panama Canal. This great inland area is composed of nearly half the States in the Union and has a population of over 40,000,000 people.

Our export trade, particularly to Europe, will be stimulated by the completion of the waterway. And it will permit our citizens in the great industrial and consuming centers of the Great Lakes to exchange products with the Atlantic, Gulf, and Pacific ports in the coastal and intercoastal traffic which comprises more than 80 percent of the ocean shipping of the United States. The opening of our home markets by this means to the full enjoyment of all sections alike is the key to national recovery. It will stimulate the growth of new industry which will absorb labor and raw materials, create new rail tonnage, revive domestic commerce, and open up rich markets to the shipping and industry of our Nation.

## WILL PROVIDE CHEAP POWER

Of at least equal importance as the navigation aspect of the St. Lawrence waterway is the development of the great supply of cheap electric power. We in New York State are particularly interested in the power project for our power authority is going to assume about \$90,000,000 of the cost of construction and in return receive for distribution about 1,100,000 horsepower. And we are awaiting the time when the St. Lawrence power project will bring to our homes, farms, and business enterprises electric power at rates comparable with other low-rate areas.

The St. Lawrence power can be made available within a wide area at so low a cost as to render its development an essential step in providing for the power requirements of the region. It is an economically sound project both in terms of providing for industrial development near the river and for base-load power in conjunction with other plants to a distance of 300 miles from the point of production. Thus the metropolitan region of New York City and the industrial areas of New England can be served economically with the St. Lawrence power. The savings to light and power consumers served by St. Lawrence power will be around \$50,000,000 a year.

## WILL BRING NEW INDUSTRIES

The St. Lawrence project will stimulate a great deal of industrial development in the immediate area as well as provide direct employment for over 22,000 men in the construction work. The northern half of New York State has never been adequately developed industrially because of the absence of transportation and cheap power. Within 50 miles of the proposed development there are large quantities of magnetic ore, zinc, lead, arsenic, molybdenum, and the materials for a huge ceramic industry. Lack of fuel and power, combined with the transportation factor, has prevented the development of these mineral resources. I am not unmindful of the vigorous opposition in some quarters to the completion of the waterway and power project. But I believe that the expression of fears are not justified and the predictions of woe unwarranted. The railroads, public utilities, and seaboard ports in the long run will profit from the increased industrial development and transportation rather than suffer from the completion of the project.

## WILL INCREASE RAILROAD BUSINESS

The economic development of the Middle West and upper New York State as a result of the seaway and power development will provide the railroads and existing canals with more

rather than less traffic. The opening of a much cheaper transportation route has the effect of removing a barrier to the exchange of goods which do not move because of high transportation costs. Such a route, therefore, does not so much divert existing traffic as produce new traffic. It creates more business activity in all regions between which increased interchange thereby becomes practicable. The experience with the Panama Canal has proved this fact. In the 10-year period 1920 to 1929, shippers saved \$876,000,000 in transportation costs on goods shipped through the Canal. Yet the western railroads showed a gain in revenue because the new economic development from the Canal brought them an increase in the more profitable classes of freight traffic. The economic growth of the country will require all existing transportation facilities as well as the St. Lawrence waterway to meet its requirements.

The most vigorous opposition in New York State to the project comes from the private power interests. Again I feel that the power people exaggerate their fears as to the consequences of this St. Lawrence power development. I by no means advocate public ownership and management of the generation and distribution of all electric power. But I do believe that in this case it is entirely proper for the Power Authority of New York State to have charge of the generation of the power and then sell it to the existing public-utility companies and districts. Furthermore, I believe that the production of the St. Lawrence power will benefit the private power companies rather than harm them. The cheaper rates will stimulate consumption of electricity to such an extent that large additional supplies of steam-generated energy will be required over and above the full output of the St. Lawrence project itself. Thus the water power will not supplant the steam power but rather supplement it. The tie-up will result in lower rates and greater consumption of power. And private investment will be made more secure rather than endangered.

## SUPPORT FROM NEW YORK

I am also aware that many of my colleagues from New York City and the down-State area are opposed to the waterway and power project. It is only natural that they should be interested in protecting and preserving their trade and commerce. I believe that their fears also are unwarranted. Not all are of the same opinion, however, and I wish to quote Mayor LaGuardia, who is a strong supporter of the waterway project. In 1934 he wrote Senator LA FOLLETTE in support of ratification of the treaty of 1932. He said in part:

No official study has ever been sponsored by the city of New York that supports the claim that completion of the seaway will injure the commerce and shipping of our port. We have one of the great natural harbors of the world, and it has been improved by the use of public funds. New York City is unique as a port and not afraid of inland competition. Since 80 percent of the water-borne commerce of the United States is domestic rather than foreign trade, the extension of our seacoast into the Middle West will inevitably increase the profitable exchange of goods between New York and the other great American cities in the littoral of the Great Lakes.

A temporary or slight diversion of export and import tonnage does not justify, in my opinion, the obstructing of a national project so obviously in the interests of the United States as a whole. In the long run it is certain that New York City as the metropolis of the Nation will benefit from economic recovery and development in the Middle West. I am therefore heartily in favor of the ratification of the treaty which President Roosevelt has submitted to the Senate. (CONGRESSIONAL RECORD, vol. 78, pt. 4, 73d Cong., 2d sess., p. 4062.)

In conclusion let me say again that I hope that we can reach a satisfactory agreement with our Canadian neighbors and start this project soon. I do not feel that the war situation should deter us. There is no question of our continued friendly relations with Canada, and it is not likely that the project can be completed until after the war is over. In the post-war period the project will be of great value. Cheap energy and cheap transportation have always been forces tending to alter the economic situation which they find in the direction of expansion of industrial and business enterprise. I am confident that the Great Lakes-St. Lawrence waterway project will prove no exception. [Applause.]



Mr. ENGEL. Mr. Chairman, I yield myself 30 minutes.

Mr. ENGEL. Mr. Chairman, the Civilian Conservation Corps has been perhaps the most popular of all new organizations which sprang into existence during the past 7 years. It has been popular with the people back home and popular with the Members of Congress. This organization has spent since its beginning approximately \$2,450,000,000, of which \$560,400,000, or approximately 23 percent, has been allotted by the enrollees to their relatives back home. This \$2,450,000,000 has been turned over to this organization in annual lump sums averaging from \$250,000,000 to \$300,000,000.

I like Mr. McEntee, the Director of the Corps, very much personally. I believe he is sincere. I was greatly impressed by his desire to do things for the enrollees. In his testimony—page 179 of the hearings—he said:

It is a question of utilizing every dollar we can get under the law from Congress for the benefit of these enrollees.

I believe that Mr. McEntee, and I know that Mr. McNutt, head of the Federal Security Agency, will welcome any constructive criticism. It is because I believe that we have not been utilizing every dollar Congress has appropriated for the benefit of these enrollees that I am speaking here today. At the outset, let me say that I am not attempting to cut the Budget figures of \$230,000,000. What I am trying to do is to get more camps and more enrollees for the same amount of money. I shall try to make my criticism constructive and not destructive.

#### CIVILIAN EMPLOYEES

According to the Budget Director's estimates for 1940, 32,406 civilian employees, including Army Reserve officers, will at the end of the present fiscal year have received \$58,234,711 in salaries, while 270,000 C. C. C. enrollees and their dependents will have received \$101,185,200 in wages.

This bill provides for a maximum authorized C. C. C. strength of 245,400 enrollees, which will give us an actual enrolled strength of 221,000 enrollees. The committee amendment earmarks the pay-subsistence item of the C. C. C. in this bill. It takes \$6,000,000 from overhead and adds it to the pay-subsistence item. If this amendment is retained, it will provide for 55 additional camps with the same amount of money. If this bill is passed as it was submitted to the committee by the Budget Director, without the committee amendment, 28,055 civilian employees, including Army officers, will receive \$49,413,697 in salaries during the next fiscal year, while the 221,000 enrollees and their dependents will receive \$82,821,960 in pay. These figures do not include expenses and other allowances which the civilian employees will receive. For every \$8 the enrollee or his family will receive during the next fiscal year the civilian employees will receive approximately \$5.

Discussing the 1941 estimates as set forth in the hearings we find on page 198, part 2, an itemized statement of the estimated representative cost and pay of the individual technical service for each Civilian Conservation Corps camp operated under the Department of the Interior, which is as follows:

1 superintendent at \$2,300 per year.....	\$2,300
2 senior foremen at \$2,000 per year.....	4,000
2 foremen at \$1,860 per year.....	3,720
1 foreman at \$1,680 per year.....	1,680
1 mechanic at \$1,500 per year.....	1,500
1 blacksmith at \$1,500 per year.....	1,500
Average clerical assistance for camp services.....	1,260

Or a total of \$14,661 per year per camp for technical-service operations, for each of the 397 camps which will be operated under this bill by the Department of the Interior. We will have a total of 3,176 employees in these 397 camps receiving \$5,820,417 pay.

On page 238, part 2, of the hearings we find the estimated break-down for the technical service of the 830 camps which will be assigned to the Department of Agriculture. Each camp will have:

1 superintendent at \$2,300 per year.....	\$2,300
1 engineer at \$2,000 per year.....	2,000
1 technician (forestry, soils, etc.).....	2,000
1 senior foreman at \$2,000.....	2,000
1 foreman at \$1,860.....	1,860
2 junior foremen at \$1,680.....	3,360
2 squad foremen at \$1,200.....	2,400
1 mechanic.....	1,440
½ skilled worker.....	600

Making a total of 10½ employees per camp who will receive a total of \$16,031.35 per camp-year. Multiply this by 830 camps and we find that the Department of Agriculture for technical service will have 8,715 people on the pay roll who will receive \$13,305,730; or, summarizing, these 1,227 camps provided for by the Budget will, during 1941, have 11,891 employees who will receive from \$1,200 to \$2,400 per year, or a total of \$19,126,147. These 11,891 employees are the people who look after the boys during the working hours between 8 o'clock in the morning and 4 o'clock in the afternoon. In addition to these 11,891 employees, we have a group of employees who are supposed to look after these boys after 4 o'clock in the afternoon and until 8 o'clock in the morning, and on pages 185 and 186 of part 2 of the hearings we find that we will have 9 staff officers who will receive \$3,800 per year; 63 staff officers at \$3,500 a year; 108 staff officers at \$3,200 a year; 228 staff officers at \$2,900 a year; 1,227 camp officers at \$2,900 a year; 342 staff officers at \$2,600 a year; 409 camp officers at \$2,300 a year; 818 camp officers at \$1,980 a year; 827 staff officers at \$3,500 a year; and 642 staff officers at \$2,900 a year. In other words, we will have 4,673 camp and staff officers with a yearly average salary of \$2,787, totaling for the 1,227 camps \$13,025,640, or almost 4 camp and staff officers for each camp at a cost of over \$10,000 a year.

The third class of employees we have in the camp are the educational group. We will find this group itemized on page 170, part 2, of the hearings, as follows:

Director of C. C. C. camp education.....	\$7,000
Assistant director of C. C. C. camp education.....	5,600
Assistant to the director.....	3,200
Special assistant to the director.....	3,200
2 research assistants.....	6,400
Secretary to the director.....	2,000
Secretary to the assistant director.....	1,800
3 stenographers.....	4,860
Statistical clerk.....	1,620
File clerk.....	1,440
Part-time clerical assistance.....	1,440
Administrative promotions.....	1,240

Total departmental pay roll..... 39,800

You will also find under "Field services, project 1," the following:

9 corps area educational advisers, at \$4,800.....	\$43,200
9 assistant corps area educational advisers, at \$3,200.....	28,800
9 secretaries to corps area educational advisers, at \$1,620.....	14,580
11 clerks (corps area educational advisers' offices), at \$1,440.....	15,840
1,227 camp educational advisers, at \$2,000.....	2,454,000
59 district educational advisers, at \$2,900.....	171,100
Administrative promotions.....	132,500
Overlapping services.....	18,673

Total, field service..... 2,878,693

We have here 1,339 more employees, 1,307 of whom will receive from \$2,000 to \$7,000 per year, or a total of \$2,918,793 in the Educational Department. This makes a grand total of 17,903 men who are supposed to look after the welfare of the enrollees, or 14 employees per camp. These 17,903 employees will receive a total of over \$35,000,000. This does not include 11,000 more civilian employees in the Army, Interior Department, and Department of Agriculture, which brings the total number of civilian employees to more than 28,000 and the total pay roll up to nearly \$50,000,000.

These 17,903 employees above referred to will receive an average of approximately \$2,000 per year. If we could cut off two of the higher bracket employees from each camp, we would save \$5,000,000 of the \$6,000,000 which we have transferred from overhead to enrollee pay and subsistence.

## EDUCATIONAL PROGRAM

The testimony shows that 91 percent of the enrollees take part in the educational program. The average enrollee stays in the camp 9 months and takes 4 hours per week of educational work. Four hours per week for approximately 36 weeks equals 144 hours of actual class work. A high-school or grade student in our public schools attends classes from 9 until 12 in the morning and from 1 until 4 in the afternoon, or he has 6 hours' class work per day, 5 days a week, or a total of 30 hours' class work per week. At the end of 5 weeks, he will have had 150 hours in school.

According to the testimony, the average enrollee receives the equivalent of about 5 weeks' high-school or grade-school education. At first I was rather enthusiastic about this program. There is no question but some good is being accomplished by this work. However, I am now convinced that the good that has been accomplished has been greatly exaggerated, and I wonder whether it justifies the employing of a group of men who receive from \$7,000 a year on down in salaries aggregating \$3,000,000. This \$3,000,000 would give us 3,500 more boys in camps or 20 more camps. It certainly is a matter that should be carefully considered.

## CITY ENROLLMENT

One of the greatest arguments that has been advanced in favor of the Civilian Conservation Corps is that the C. C. C. takes the boys from the city streets, slums, and poolrooms of the city. Undoubtedly this is true to a certain extent, but again I think this benefit has been greatly exaggerated. A survey was made in 1937 by the C. C. C. of 350,000 enrollees. It was found that 55 percent came from rural areas, 12 percent from cities of 2,500 to 10,000 in population, and only 33 percent came from cities of over 10,000. Mr. McEntee testified that since that time, the enrollment from the large cities has been reduced below the 1937 figures.

Applying these percentages to the 221,000 enrollees which the testimony shows will attend these camps if this bill is passed as it was presented to the committee, we find that 55 percent or 121,000 will come from rural and farm areas, that another 12 percent or 26,000 will come from cities of from 2,500 to 10,000 and that only 73,000 of the total enrolled will come from cities of 10,000 or over. To say that these 73,000 or any material percentage of them will come from poolrooms, and slums, and so forth, is, of course, not true. While undoubtedly some of these boys do come from the slums, poolrooms, and so forth, it would be difficult to justify an appropriation of a quarter of a billion dollars for this purpose on this ground. The 1930 census shows that there were approximately 9,000,000 boys in the United States between the ages of 17 and 25. It is obvious that we cannot help all of these boys, and the work that is being done along this line is merely a drop in the bucket, worthy though it may be. When you take the increased population into consideration over 1930, this 73,000 represents approximately one out of every 130 boys in America. Again, I feel that the public has been very much oversold on this part of the program.

## LUMP-SUM APPROPRIATIONS

I have expressed myself repeatedly as being opposed to lump-sum appropriations and lump-sum debt increases. The one is as vicious as the other; the two together, if continued, will spell financial ruin. That policy is conducive to waste and extravagance. The Budget can never be successfully balanced without imposing a great many unnecessary taxes unless the policy is abolished and unless we earmark appropriations and provide that all unused portions should be turned back into the Treasury.

When I called the attention of the C. C. C. to the great discrepancy between the amounts for each item which that organization justified before the Budget Director and the Appropriations Committee, and the amount they actually spent, the Director attempted to justify this discrepancy by saying that the estimates for 1939 were submitted upon a Budget providing for 1,200 camps, while Congress later amended the law increasing those camps from 1,200 to 1,500, or adding 25 percent. I have before me a table which I ask unanimous consent to insert into the Record.

TABLE I.—Civilian Conservation Corps

	1939 Budget estimates for 1,200 camps	Additional 25 percent for 1,500 camps	Actually spent in 1939
02 Supplies and materials.....	\$13,060,037	\$16,326,296	\$18,645,062
03 Subsistence.....	38,882,929	48,720,732	40,247,657
05 Communications.....	491,397	614,246	576,636
06 Travel of persons.....	7,172,021	8,965,026	11,718,475
07 Transportation of things.....	4,034,130	5,042,660	2,758,093
08 Printing and binding.....	207,680	259,600	202,047
09 Advertising and publishing of notices.....	2,546	3,182	13
10 Furnishing heat, lights, and water.....	1,128,797	1,410,996	1,479,276
11 Rents.....	572,688	715,860	589,442
12 Repairs and alterations.....	8,414,445	10,518,056	15,114,133
13 Special and miscellaneous.....	4,886,843	6,106,554	5,924,585
22 Burial expenses.....	150,617	188,271	89,761
30 Equipment.....	3,358,789	4,198,486	12,635,879
32 Structure and parts.....	7,464,622	9,330,777	10,285,159
33 Refunds and awards.....		40,053	50,106
Total.....	89,827,541	112,284,426	120,306,271

Column 1 shows the estimates for 1939, item for item, for 1,200 camps which the C. C. C. justified both before the Budget Director and before the Appropriations Committee, and which the Budget Director and the Appropriations Committee approved before the House increased the number of camps from 1,200 to 1,500. Column 2 shows each item increased by 25 percent to take care of the increase of camps. In other words, column 2 shows what would have been undoubtedly allowed had each item been increased the same percentage that the camps were increased. Column 3 shows the amount that was actually spent by the C. C. C. for each item during the fiscal year ending June 30, 1939. No one can look over this table and justify the discrepancy between the several amounts. For instance, for supplies and material they justified \$13,060,000. When you add 25 percent you have \$16,326,000. They actually spent \$18,645,000 or \$1,300,000 more. The subsistence item is rather interesting because of the fact that one of the justifications they gave for the increase was the Ohio flood. They justified for subsistence for 1,200 camps \$38,882,929. Adding 25 percent, we would have for 1,500 camps, \$48,720,732. They actually spent only \$40,247,000 for the 1,500 camps—a discrepancy of over eight and a half million dollars which cannot be justified on the ground of decreased ration cost. For travel of persons which includes, of course, the travel of C. C. C. enrollees back and forth from their homes, they asked for \$7,172,000 for 1,200 camps. For 1,500 camps they would have received \$8,965,000. They actually received \$11,718,000, or \$1,800,000 more. I asked Mr. McEntee to insert into the record an itemized statement of the money they spent during the Ohio flood, which statement can be found on page 224 of the hearings. They only charged up against the travel item approximately \$320,000, so of course that would not justify the increased travel allowance. In the item of transportation of things, they asked for \$4,034,000 for 1,200 camps. Adding 25 percent for the extra 300 camps would make it \$5,042,000. They actually spent only \$2,758,000 or approximately 50 percent of what Congress allowed them. Under the item of repairs and alterations, which certainly could not have been affected by the flood, they asked for \$8,414,000. Adding 25 percent for additional camps would give them \$10,518,000, and they actually spent \$15,114,000 for this item, or nearly \$5,000,000 more than they justified. Again on equipment they asked for \$3,358,000. Adding 25 percent for the 1,500 camps would give us \$4,198,000. They actually spent \$12,635,879. In other words, they spent \$8,400,000 more than they justified, or three times the amount they justified. While a part of this amount can be justified by the Ohio flood, the difference between the amount justified and the amount spent is \$2,000,000 more than the total amount spent by the Corps in the Ohio flood. If this statement does not convince this House of the waste and extravagance caused by lump-sum appropriations, there is nothing that I can say that would convince this House. I feel very keenly on this subject.

The framers of the Constitution tried to safeguard the money of the taxpayers in every way possible. They provided that revenue bills and appropriation bills must originate in the House of Representatives, and cannot originate in the



Senate. The House has always defended that position. The framers of the Constitution then limited the terms of Members of the House to 2 years so that if this privilege were abused, we would have to answer to the people. I feel that the Constitution gives me, as a Member of Congress, the right to reach into a taxpayer's pocket, take out money we call taxes and put that money into the Treasury. The Constitution also, in my judgment, places upon me the responsibility of seeing that every dollar of taxes which we have placed into the Treasury is properly spent and accounted for. The criticism I make is not of Mr. McEntee nor of the C. C. C., but the criticism I make is of the practice of lump-sum appropriations which we have been following for the past 7 years. We have no one, only ourselves to blame, if this money is juggled and wasted.

#### AVERAGE DISTRIBUTION OF ENROLLEE STRENGTH

I asked for and received from the Director of the C. C. C. a table which gives the average distribution of enrolled strength during the fiscal year ending June 30, 1939, that being the only complete fiscal year for which we have figures.

This table shows that the daily average strength of the entire corps during the fiscal year ending June 30, 1939, was 289,205.

I was also furnished a monthly work-progress report, giving 151 type or project designations, which they classify in this table as field-work projects, and which are of a permanent type. In other words, these 151 projects represent, when they are complete, the permanent value that we have received in the way of construction, and so forth, through the C. C. C. They have also designated camp projects which are temporary projects. Mr. McEntee states that 65 percent of these camp projects have a public benefit over and above the direct benefit to the C. C. C., but he does not state of how much benefit they are; and in view of the fact that they are temporary projects, they cannot be of much value.

I think you will find, if you should examine the sheet, that the field-work projects cover practically everything of a permanent nature. This table shows that during the fiscal year ending June 30, 1939, there were employed on an average 196,161 men, or approximately 66 percent of the total enrollment on field-work projects, with over 93,000 who were not employed on permanent projects. These are classified as follows: Camp-work projects, 41,847; detached service and special detailed-work projects, 14,295; overtime, 409; light duty, 5,149; not used due to bad weather, 8,792; sick, on leave, or in transit, 21,598; all other causes, 954.

The appropriation for the C. C. C. for 1939 was \$296,000,000. Of this amount, four and a half million dollars was turned back into the Treasury, and six and a half million was used for the Ohio flood, leaving approximately \$285,000,000, which the C. C. C. actually got. If this were a business with a going concern, you would charge against this permanent type of work the entire appropriation, leaving out of consideration the question of benefits to the workers themselves; and looking at it from a hard-boiled, cold-blooded business standpoint, it costs us \$285,000,000 to keep these 196,000 men on the front-line-work projects. In other words, for every enrollee who worked on actual permanent field-work projects, the taxpayers put up \$1,450 a year.

I personally feel that we have not been getting value received for our money, even when we take into consideration the benefits to the enrollees. If we could have reduced the number of enrollees—in 1939—detailed to other than permanent-work projects to 25 percent, and increased the number of enrollees who work on field-work projects from 66½ percent to 75 percent, we would have had 216,900 enrollees employed on permanent field projects instead of 196,161. This means that we would have had 20,000 more enrollees working on permanent camp projects. This would be the equivalent of 110 extra camps with an average enrolled strength of 180 men each. Surely, with 32,000 civilian employees to look after the welfare of these men, it should not be necessary to detail and have off duty for various causes 93,000 enrollees.

I want it distinctly understood that I am not blaming Mr. McEntee, the Director, for this. Mr. McEntee, Mr. McNutt,

or those working in the Civilian Conservation Corps are not responsible. They had nothing to do with the detailing of these men for various duties. These men and those who are under them, whether staff officers or technical officers, are under the control of the Department of the Interior and the Department of Agriculture, and those two Departments must take the responsibility for any wastage of manpower here.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. GIFFORD. I heard our chief forester of the State of Massachusetts say, "Give me 20 trained men and 2 tractors and I will do more work than the 400 boys are doing."

Mr. ENGEL. I have talked to foresters, both State and National, and they tell me if we would give them a third of the money they will do as much work, but they will not say anything about that publicly because they are afraid they are going to lose these camps.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. VORYS of Ohio. I did not hear the gentleman's full statement, but will he indicate in his statement where we can find a break-down as to what the \$400 per boy is spent for which the boy does not get?

Mr. ENGEL. Mr. Chairman, the gentleman will find that break-down in the RECORD. That is accounted for somewhat in this respect: \$58,000,000 last year was expended for salaries of 32,000 civilian employees. The gentleman will find in the RECORD a break-down of supplies and materials, itemized, for 1939, which will give him a pretty good idea.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. KNUTSON. Would the gentleman give us an idea as to what it costs to maintain a soldier and what it costs to maintain a C. C. C. enrollee—that is, exclusive of the accouterments?

Mr. ENGEL. I do not want to go into that. Of course, it costs a lot less for a soldier, but I do not think the comparison would be fair. I say this to the gentleman: If this were a business concern, they would charge against these 151 work projects all of the items which we have, and they would have to charge against these 196,000 men working on these 151 projects the total appropriation, and they would find that it would cost about \$1,450 per man per year. In other words, if every man who worked in the front line, planting trees, doing actual work, soil conservation, or any of the other 151 work projects, had charged against him every item, it would be found that it cost for the actual work about \$1,450 per man—that is, putting it on hard-boiled financial basis.

#### SOCIAL SECURITY BOARD PROMOTIONS

In going through the Social Security Board offices, I made a "spot check" of the pay cards. By "spot check" I mean I took every tenth pay card for, we will say, 150 cards, in the letter "A," then dropped down to perhaps "F" and again took every tenth card; then down to the letter "J," "L," and so on down the line. When I finished that check, I went through the personnel files, taking every tenth file of a section taken at random, examining the personnel records, endorsements, and so forth. I then went to the section which contained the records on promotions. The last complete year was the fiscal year 1939. I found that the Social Security Board had for the fiscal year ending June 30, 1939, an average of 8,723 employees. During that same fiscal year they made 7,087 administrative promotions at an annual cost of \$538,180, as against 1,404 administrative promotions made during the preceding fiscal year at a cost of \$117,960. These are administrative promotions within the grade, and not step-ups, that I am speaking about.

The tables furnished me show that, in addition to these 7,087 administrative promotions we had 3,122 grade promotions during the same period of time. Some of these employees who received grade promotions also received administrative promotions and were canceled out. However, this shows that the Board made 10,109 administrative and grade promotions during the fiscal year ending June 30, 1939.

The Reorganization Act provided that no promotions should be made within 1 year from the effective date of reorganization. The effective date of reorganization of the Federal Security Agency, of which the Social Security Board is a part, was July 1, 1939. The testimony in the record I have shows that the Social Security Board made 2,989 administrative promotions at an annual cost of \$221,960, on June 15, 1939, or within 15 days next preceding the effective date of reorganization after which date Congress said no promotions should be made. Eighty-five percent of the administrative cost of the Social Security Board, according to testimony, is paid out of pay-roll taxes paid in by employers and employees, so 85 percent of this \$538,000 increase in pay during 1939 will come out of the money that actually belongs to the widows, the orphans, and to the employees who have earned this money by the sweat of their brow. Mr. Altmeyer tried to justify these promotions by his desire to bring the average pay of his employees up to the general average of the other departments. The employees of these older departments have worked for years and have earned their promotions, and the Social Security Board is trying to give, within a few months, promotions to their employees that employees of other departments have worked for years to earn. Let me not be misunderstood. I am not opposed to reasonable promotions, but we have here a situation where I find employees worthy, honest, hard-working people with excellent records who have received no promotions for years. Here we have a department which has given 32½ percent of their employees promotions in 1 month. It is not conducive to good morale on the part of other employees. It is not fair. These other employees will say, "I have not had a promotion in 4 or 5 years. If I had been in the Social Security Board, I would have received it at once."

The testimony of Mr. Altmeyer is rather amazing. Naturally he tried to justify his promotions. On page 849 of the hearings he frankly admits that these promotions were made to get around the Reorganization Act. I quote from the testimony:

Mr. ENGEL. The administrative promotions, from July 1 and through December 31, 1938, were 2,778, at an annual cost of \$207,760, and in June 1939 there were 2,889 at an annual cost of \$221,960. Regardless of whether the act of Congress is advisable or not, you "jumped the gun" on the act of Congress?

Mr. ALTMAYER. Let me explain.

Mr. ENGEL. Is it not true, Mr. Altmeyer, that you have jumped the gun, and that these 2,889 promotions were made in June—I am not discussing the justification, but they were made to get around the Reorganization Act?

Mr. ALTMAYER. Yes; that is right.

I might add that they made 2,989 administrative promotions, but 100 were canceled out by grade promotions. I feel that the entire Social Security Board is responsible for this and I have no desire to place the responsibility on Mr. Altmeyer's shoulders alone. We have here again another department to which we have handed lump-sum appropriations of millions of dollars, with absolutely no strings attached, to spend as they saw fit. In discussing the lump sum appropriation question with Mr. Altmeyer during the hearings, I asked him the following question (p. 868 of the hearings):

Mr. ENGEL. If we had earmarked these appropriations and items, would you have been able to find the money to make 7,087 administrative promotions in a year?

Mr. ALTMAYER. I don't know; but I would say that I feel that our personnel policy is justified in terms of the results our people are turning out.

I think we have here the crux of the whole matter. You know, Mr. Altmeyer knows, and I know that these 7,087 administrative promotions would not have been made in 1 year had the Appropriations Committee and Congress earmarked these funds and had they followed a policy where unused portions of earmarked funds would revert to the Treasury, and provided that such unused portions could not be used for other purposes.

Again, you and I as Members of Congress cannot shirk the responsibility. I personally feel that you and I are to blame for the condition existing more than the Social Security Board or its Chairman. I like Mr. Altmeyer personally. I think he is an efficient official, doing a good job. I know my

criticism is rather harsh, but you cannot get around the facts. I am directing that criticism rather to Members of Congress in permitting these lump-sum appropriations and not against the Social Security Board, nor against any Board nor employee. You and I cannot dodge that responsibility. We are to blame.

I went through their offices, visiting every nook and corner, examining the files, records, and methods of doing business. I was in every building, including the Baltimore office. I said then and I say now that they have an efficient organization. I think the Baltimore office is operating as efficiently as it would be were it a private insurance company. I believe the same can be said more or less of the entire Board's operation. However, I feel the salaries on the Board and those under the Board are far above what they would be on the average were this Board being operated by a private insurance company. I want to be fair and say that I know of no one whom I esteem more, whose ability I place upon a higher plane than that of Mr. Altmeyer, and, as a rule, those under him. However, I cannot justify the expenditure of this money and the making of these promotions.

I also call attention briefly to promotions made by the United States Employment Service. I have in my office the name of every employee who was promoted in the Social Security Board and the United States Employment Service between March 1939 and June 30, 1939, the old salary, the new grade, and the new salary. The United States employment records show that they jumped their pay roll from \$368,980 on April 1, 1939, to \$427,780 on June 30, 1939. They had on July 1, 1939, 684 employees. They promoted during that 3-month period 185 employees, or 27 percent, at a cost of \$58,800. I call attention again to the fact that no promotions could be made after July 1, 1939, for 1 year under the Reorganization Act. Practically all of these promotions were made during the month of June or within a short time of the effective date of reorganization. They could not have been made after July 1.

I find that 11 employees received increases of \$1,000 to \$1,600 a year, aggregating \$11,300. Forty-four employees received increases of \$500 a year or more; 66 employees received increases of \$300 a year or more. In other words, nearly 20 percent of this salary increase went to 11 employees and over 50 percent went to 44 employees. They tried to justify the increases on various grounds.

I asked Mr. McNutt about these promotions which were made just prior to the effective date of reorganization. On pages 10 and 11 of the hearings you will find that in referring to these promotions I asked Mr. McNutt:

You knew nothing about any of those promotions at that time; that all took place prior to the time you took office, and you had no knowledge at that time of those facts?

And Mr. McNutt answered:

Nor would I attempt to justify any such procedure at all.

Mr. Altmeyer denied responsibility, and his testimony is found on page 851 of the hearings, referring, of course, to the United States employment promotions only and not to the Social Security Board promotions:

Mr. ENGEL. Did the Social Security Board know, prior to July 1, that those promotions were being made?

Mr. ALTMAYER. We learned about it, as I recall it, in June.

Mr. ENGEL. At the time they were being made?

Mr. ALTMAYER. No; after they were made.

Mr. ENGEL. You knew nothing about it at the time?

Mr. ALTMAYER. No.

Mr. ENGEL. Then the Social Security Board itself had nothing to do with the making of these promotions, either impliedly or otherwise?

Mr. ALTMAYER. No, sir.

Mr. ENGEL. Did anyone connected with the Social Security Board?

Mr. ALTMAYER. No, sir.

Mr. ENGEL. And the first knowledge you had of these promotions was after they had been made?

Mr. ALTMAYER. Yes.

Again this testimony refers only to these 185 promotions made by the United States Employment Service prior to their merger with the Social Security Board.

Mr. O'CONNOR. Mr. Chairman, who did effect these promotions?



Mr. ENGEL. They came from the reorganization plan in the Labor Department before the United States Employment Service went to the Security Board.

#### LUMP-SUM APPROPRIATION

I desire now to discuss briefly the lump-sum appropriation as it affected the Social Security Board. I ask unanimous consent to insert in the RECORD at this point a table compiled by myself, showing the estimates other than pay rolls justified before the Budget Director and before the Appropriations Committee by the Social Security Board and upon which was based the appropriation for the fiscal year ending June 30, 1939. This table shows, also, item for item, the actual amount spent by the Social Security Board.

TABLE II.—Social Security Board

	Budget estimate for 1939	Actually spent in 1939
02 Supplies and materials.....	\$1,088,552	\$363,457
04 Storage and care of vehicles.....	6,000	807
05 Communications service.....	516,022	220,000
06 Travel expenses.....	1,275,000	1,156,495
07 Transportation of things.....	105,904	30,214
10 Furnishing heat, lights, and power.....	105,190	67,631
11 Rent.....	1,991,252	1,653,793
12 Repairs and alterations.....	101,870	990,678
13 Special and miscellaneous current expenses.....	143,445	60,329
30 Equipment.....	498,275	152,008
Total other obligations.....	5,831,510	4,140,227

<sup>1</sup> Rent.      <sup>2</sup> Equipment.      <sup>3</sup> Operations and maintenance.

TABLE III.—Social Security Board

	Budget estimate for 1940	Actually spent during first 6 months of 1940
Supplies and materials.....	\$374,354	\$132,945
Storage and care of vehicles.....	917	287
Communications.....	245,589	79,614
Travel.....	1,502,920	628,050
Transportation of things.....	58,655	14,602
Advertising.....		483
Heat, light, and power.....	90,162	28,816
Rental of space.....	938,405	348,092
Rental of equipment.....	944,281	442,119
Repairs and alterations.....	66,933	21,610
Operations and maintenance.....	174,450	73,675
Special.....	157,710	
Equipment.....	318,427	144,423
Total.....	4,872,803	1,914,717

This table shows that the Social Security Board justified in 1939 for supplies and materials \$1,088,552. They actually spent \$363,457, or approximately one-third of the amount they justified. They justified \$6,000 for storage and care of vehicles; they spent \$800. They justified \$516,000 for communication service and spent \$220,000. They justified \$105,904 for transportation of things, and they spent \$30,000. They justified \$1,991,000 for rent, and they spent \$1,440,000, including rental of equipment, or over one-half million dollars less than the amount they justified. They justified a total for a list of obligations at \$5,831,510, and they spent \$4,140,000. You will find great discrepancies in item after item where they overestimated the amount of the actual expenditures. After making these promotions involving over one-half million dollars, they turned back into the Treasury one and a half million dollars.

I am wondering just what you and I would say if someone criticized us for appropriating taxpayers' money in this way—that you and I as Members of Congress allowed three times as much for supplies and materials as they could spend, or allowed them one-half million dollars more for rent than they could spend, and right on down the line. Again, 85 percent of this money comes from the pay roll of taxpayers, big and small, that is earned by the sweat of many workers' brows.

I also ask unanimous consent to place into the RECORD the estimates justified before the committee for 1940 and the expenditures for the first 6 months of 1940. You will find there the same discrepancies when you compare the 6 months'

actual expenditures with the 1940 estimate. Some of these discrepancies are justified by the fact that undoubtedly the expenditures of the last half of 1940 will be heavier than the first half. However, I call attention to the fact that the Board justified \$4,872,803 for the full year for the items specified, and they actually used only \$1,914,717 the first 6 months. If they spend the same amount the last 6 months as they did the first 6 months, they would have expended for these purposes \$3,829,000 as against an appropriation of \$4,872,000. I am certain that while a part of the remaining million will be used for the purpose for which it was appropriated, you will find other discrepancies at the end of the year.

#### FEDERAL SECURITY AGENCY

The Honorable Paul V. McNutt, as Administrator of the Federal Security Agency, occupies a peculiar position. He was appointed July 13, 1939. I want to be fair about the matter, and in justice to him I want to say that the promotions referred to in the record here were made and approved prior to the time that he took office. I want, however, to discuss the peculiar relations that exist with regard to Mr. McNutt's administration of the Civilian Conservation Corps. Mr. McNutt, as Administrator, is responsible for the C. C. C. operations. A part of the camps are assigned to the Interior Department and are under Secretary of the Interior Ickes. The remainder are assigned to Mr. Wallace, Secretary of Agriculture. Both of these men hold a position of Cabinet officer—naturally a higher rank than Mr. McNutt as Administrator; yet Mr. McNutt is charged by law with certain administrative duties over the C. C. C. operations that are taking place under these Departments.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. LEAVY. The question I am about to ask is not in any way a criticism of the subcommittee nor of the gentleman himself, but he has been chastising the Social Security Board rather severely, and yet I notice that there is an increase for salaries and expenses this year—that is, for the coming fiscal year 1941—over those of 1940 of \$2,204,060, but when it comes to old-age assistance in grants to States there is a reduction below the Budget estimates of \$10,000,000, and when we take this bill as a whole, the cut below the Budget estimate is \$11,798,942, but \$10,000,000 of that comes out of the old folks, if it is ever spent.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. ENGEL. Mr. Chairman, I yield myself 15 minutes more. First, as to this increase in the pay roll. The gentleman will recall that Congress passed an amendment which jumped ahead the payments of old-age pensions. The gentleman will remember that.

Mr. LEAVY. Very well.

Mr. ENGEL. And this extra pay roll you have in there comes first, in rental of machines. They spent a million dollars a year for rental of tabulating machines and other costs made necessary by this increase in work because of the increased benefits which are being paid under the act and under the new act of Congress last year. Whether we put this extra \$10,000,000 in or not will not affect the amount that the old people will receive. It is just a question of how much will be required to match the funds of the States. Those funds are going to be matched. The committee thought there was \$10,000,000 more than was required to match those funds, but if it should not be enough, those funds will be matched just the same and a deficiency bill for the necessary amount will come in.

Mr. LEAVY. On the other hand, if the States did not make a demand for this the money would not be spent, would it?

Mr. ENGEL. That is true. On the other hand, however, the committee has done all it could to appropriate only such money as will be used. Let me close with the thought that this cut will not affect the old-age pension nor the Federal contribution to the old-age pension nor assistance of one eligible person. Understand, it is just a question of overestimating or underestimating. If we underestimate we can take care of the situation through a deficiency appropriation.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. O'CONNOR. Let us assume that the States demand a greater sum than that provided in this bill. In order to meet that demand of the States further legislation will be necessary by this Congress.

Mr. ENGEL. Oh, not at all.

Mr. O'CONNOR. Did not the gentleman just say that a deficiency bill would be necessary?

Mr. ENGEL. What I said was that we could try the lesser amount; that, if necessary, the fund would be replenished through a deficiency appropriation. We do that right along.

Mr. O'CONNOR. In other words, Congress will again have to act upon the matter.

Mr. ENGEL. We have deficiency bills during every session of Congress. This money will not be used up until July 1, 1941, and Congress will be in session beginning January 3, 1941.

Mr. O'CONNOR. The point I am not clear on is just why was this sum taken away from the aged people of this country who need it?

Mr. ENGEL. It was not taken away from the aged people of this country. It is not going to affect the pension of one aged person. It is just a question of who is right in the estimate. We looked into the situation carefully and came to our conclusion that the amount provided by the bill is adequate.

Mr. O'CONNOR. If I may make this observation, it seems to me that if there is a doubt in the mind of the committee, it should have been resolved in favor of the aged people.

Mr. ENGEL. There was no doubt in the mind of the committee at all.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. LEAVY. Suppose a Congress should be elected this fall that is hostile to this whole social-security program and should refuse to make a deficiency appropriation, if the judgment of the present Subcommittee on Appropriations proves to be wrong?

Mr. ENGEL. If that kind of Congress should be elected, they probably would repeal the whole Social Security Act and would not do anything for it.

Mr. LEAVY. The gentleman is not fearful of that occurring?

Mr. ENGEL. I am not worrying about that at all. I am concerned about the soundness and wisdom of the committee's action in handling the items in this bill. This will not affect the pension of a single aged person. If I thought it would, I would not be for it, because I am most sympathetic with the needy aged. Let me say in passing that the entire membership of this subcommittee is sympathetic toward old-age pensions and care of the aged. There is not one member of the committee that is not sympathetic with them. We want them to get everything they are entitled to.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield for a short observation?

Mr. ENGEL. I yield.

Mr. O'CONNOR. In the questions I asked I was not impugning any desire on the part of the gentleman from Michigan to cut down old-age pensions, because I know the gentleman is sympathetic to the program; but I do think that the action of the committee is subject to criticism in taking a part away from them and putting up to a future Congress the question as to whether or not the fund will be made up.

Mr. ENGEL. If we were to operate on the theory that the Committee on Appropriations should always recommend the appropriation of money beyond the amount that in its judgment is needed, we would bring in bills carrying twice the amount they should carry.

The gentleman says that I criticized the Social Security Board. I did; but I want to say that the responsibility is not that of the Board, nor of Mr. Altmeyer alone; the responsibility is yours and mine for turning funds over in lump sums to the extent of hundreds of millions of dollars. You

turned over \$2,500,000,000 in the last 7 years to the C. C. C. organization in lump sums of \$250,000,000 and \$300,000,000.

Mr. O'CONNOR. Then why does not the committee earmark funds so as to prevent just such occurrences? I feel, knowing the gentleman for his fairness, that he personally would be in favor of such action.

Mr. ENGEL. The gentleman will find that in the short time at the disposal of the committee to conduct hearings on matters of such great extent and ramification it is impossible to earmark funds dollar for dollar unless it has been done from the very beginning of the hearings in the Bureau of the Budget. The gentleman will find that stated in the report.

Mr. O'CONNOR. When is the committee going to start to do that? I think it ought to be done. Administration costs should be cut to enable those sought to be benefited would secure a more just share, and I know the gentleman would favor that action.

Mr. ENGEL. The bill provides that expenditures under the several classes of objects of expenditures for which this appropriation is available shall not exceed by more than 10 percent the amounts estimated for such items in the Budget.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I have yielded so much of my time and have so much ground to cover that I regret not to be able to yield further. I cannot yield.

I wish now to address myself to the matter of cars owned by the various agencies which come under the bill.

In going through the departments I asked for a report of all the cars owned by the various agencies which come under the bill—whether those cars were pooled or not pooled, the number of stenographers, and how many operated in the pool and how many were assigned individually. I also endeavored to learn whether or not automobiles were properly marked as required by law, and whether they were being used for personal and private use as prohibited by law. You will find rather interesting testimony on page 858, part 2, of the hearings. I asked Mr. Collins, the Budget officer for the Federal Security Agency, to furnish me with records, and prior to entering the committee room, in order to shorten the record, I discussed with him the question as to whether and to what extent bureaus and agencies under the Federal Security Agency were complying with the law. After considerable hesitation and reluctance, which, of course, came naturally, Mr. Collins showed me the correspondence which you will find on pages 858 and 859 of the hearings, pertaining to the lettering of official cars.

The C. C. C. cars operated in the Department of Agriculture and in the Department of the Interior are purchased with C. C. C. funds, and Mr. McNutt is charged with the responsibility of seeing that those cars are properly marked. In this matter I have no jurisdiction and no desire to enter into any question pertaining to the Department of the Interior and Department of Agriculture only insofar as these C. C. C. cars are concerned. This subcommittee is responsible for the appropriation for the purchase and operation of these cars and for its personnel. I found that these C. C. C. cars assigned to the Department of the Interior, in my judgment, were not properly marked as required by law. I call attention to the testimony on page 857:

Mr. ENGEL. Are all the cars that you have marked plainly for the Social Security Board and the Federal Security Agency, Mr. Collins?

Mr. COLLINS. Yes, sir. We got out a circular on November 30, 1939, calling attention to the provisions in the Treasury-Post Office bill which prohibits the use of Government cars for personal purposes. We also cited the code provision which requires that the name of the establishment be conspicuously painted on the cars. So far as I can learn, those provisions are being observed. We did, however, have a little difficulty with the C. C. C. cooperating Departments, Interior and Agriculture, misconstruing our circular as requiring additional painting being put on the cars, and the Secretary of the Interior objected also on the ground that the painting on the doors of the cars made them too conspicuous, so that their use after regular hours for official purposes might easily be misconstrued. The contention of the Interior Department is that the use of official tags, without painting of any kind on the body of the cars, should be sufficient.

Mr. ENGEL. Official tags without painting.

Mr. COLLINS. Without painting on the cars. That question is still up with the Interior Department. The Secretary of the In-



terior wrote the Administrator to the effect that he did not believe it would serve any useful purpose having painting put on the doors, in view of the fact that they had the official tags on the cars.

Mr. ENGEL. He wrote to the Administrator.

Mr. COLLINS. Yes. The letter was actually addressed to Mr. McEntee, Director of the C. C. C.

Mr. ENGEL. What does the Interior Department have to do with it?

Mr. COLLINS. This is in connection with the C. C. C. cars.

Mr. ENGEL. Does the Agriculture Department comply with that order?

Mr. COLLINS. The Agriculture Department is complying with it so far as we know, but the Secretary of the Interior wrote he did not think it was advisable, but there was too much room for misunderstanding where the cars were used outside of office hours on official business.

Mr. ENGEL. In other words, he didn't want the cars identified; and if they were identified, there might be some public reaction.

Mr. COLLINS. In justice to the Interior Department I might read exactly what they wrote.

Mr. ENGEL. I would be glad to have you do that.

Mr. COLLINS (reading from letter). "I object, in the first place, to any lettering being painted upon the body of passenger cars used by employees of this Department and, secondly, I object to the omission of the name of the Department of the Interior. Of course, I have no particular objection to adding 'Federal Security Agency' to the lettering on the present special license tags which are now in use, and which identify the vehicle as Government-owned. If the lettering is to notify taxpayers that the car is an official one and is used for official business only, it can be done less conspicuously. The proposed lettering would undoubtedly prove embarrassing to many of our employees who must use their cars after regular working hours on official business in making important contacts, but the use of which might be misinterpreted by a casual observer. I use official Government cars on which purposely there is no lettering except the license tag, and I do not see why the employees of the Department of the Interior, even though paid from C. C. C. funds, should be inflicted with a form of advertising which I find objectionable for myself."

Mr. SHEPPARD. Who signed that letter?

Mr. COLLINS. It is signed by Harold L. Ickes.

Mr. ENGEL. Doesn't the law require him to mark it plainly? Have you a copy of the law there?

Mr. COLLINS. The circular quoted the law.

Mr. ENGEL. The circular issued by whom?

Mr. COLLINS. By the Federal Security Agency?

Mr. ENGEL. Read the circular—the law, I mean.

Mr. COLLINS (reading). "No part of any money appropriated by any act shall be used for purchasing, maintaining, driving, or operating any carriage or vehicle . . . for the personal or official use of any officer or employee of any of the executive departments or other Government establishments at Washington, D. C., unless . . . all such carriages and vehicles so procured and used for official purposes shall have conspicuously painted thereon at all times the full name of the executive department or other branch of the public service to which the same belong, and in the service of which the same are used."

Mr. TARVER. I want to know how any department of the Government gets around that requirement of the law, and how you can use any funds for the operation and the maintenance of these vehicles in any department without complying with the law?

Mr. COLLINS. As I read the law, the money is not available for operating these cars unless they are painted.

Mr. TARVER. And as a matter of fact they are not, in the Interior Department, so painted.

Mr. COLLINS. The Interior Department contends that the official tag "Department of the Interior" is sufficient.

Mr. TARVER. But its contention in that respect is patently erroneous. I am just wondering whether or not the Interior Department is disregarding the law. Is it, as a matter of fact, disregarding the law?

Mr. COLLINS. I only have this letter from Secretary Ickes.

Mr. TARVER. What about the Civilian Conservation Corps funds administered by the Interior Department?

Mr. COLLINS. The question arose because of the issuance of this circular by the Federal Security Agency, calling attention to the two provisions of the law and designating the type of painting that should be placed on cars that did not carry painting at the present time. After a meeting with the director of the Civilian Conservation Corps this circular was passed out for compliance insofar as cars or equipment purchased from the C. C. C. funds was concerned, and the response was that which I have just read.

Mr. TARVER. Of course, the Secretary objects to the law, but that does not have any effect, that does not change the law, and I am wondering whether or not the law has been carried out in the Civilian Conservation Corps motor equipment, in the Civilian Conservation Corps acting under the jurisdiction of the Department of the Interior.

Mr. COLLINS. Well, it would appear from this reply of the Secretary of the Interior that so far as passenger cars are involved it is not being complied with.

Mr. TARVER. How is he getting the money which is not available unless the requirement is met?

Mr. COLLINS. You will recall when the Civilian Conservation Corps estimates were under consideration, it was shown that a large sum of money is transferred for expenditure under the supervision of the

Department of the Interior, and they are enabled to purchase their equipment in that way.

Mr. TARVER. But the Comptroller General should be notified that they are not complying with that requirement made by Congress, in which event those funds would not be available.

Mr. COLLINS. That is correct.

Mr. TARVER. I am wondering if it isn't your duty, on account of the position you hold with the Federal Security Agency, to call that matter to the attention of the Comptroller General.

Mr. COLLINS. The matter has not yet been disposed of with the Interior Department. It will be further discussed with the Interior Department to the end that all cars will be properly marked. When the discussion was first had with the cooperating departments, they reached the conclusion that the Federal Security Agency was requiring a lot of painting to go on the cars in addition to the painting already on the different types of automotive equipment. "Federal Security Agency, Civilian Conservation Corps, official" was what we suggested to go on the cars.

Mr. TARVER. But this restriction as to the use of money carried in the appropriation bill for the operation and maintenance of motor equipment has been effective throughout this fiscal year, has it not?

Mr. COLLINS. That is taken from the code. This law has been in effect for a great many years.

Mr. TARVER. How have they been able to get money without having their cars marked as required by law?

Mr. COLLINS. If the Department of the Interior purchased an automobile and did not paint it, unless the Comptroller General sent a representative to investigate, the matter would not be brought to light. If you saw a car on the street unpainted, unless you looked at the official tag, you could not identify it as a Government automobile.

Mr. TARVER. In other words, they were using the funds in violation of the law.

Mr. COLLINS. That is my opinion.

Mr. SHEPPARD. They have a legal department down there to keep the Department posted as to the enactments by the Congress, do they not?

Mr. COLLINS. Yes.

Mr. SHEPPARD. Is there any excuse that you know of as to why there should not be a proper compliance with that law?

Mr. COLLINS. Not that I know of.

I feel that Mr. Collins was placed in rather a difficult position, but his testimony was absolutely fair, and I want to commend him for the courage he had in furnishing this committee with the facts upon request.

#### OFFICE OF EDUCATION—FILM SERVICE

Time does not permit me to discuss fully either this or the remaining departments. I can only point to the high spots. You will find on page 284, part 2, of the hearings some interesting facts. The President allocated \$331,000 for this service which is now under the Office of Education. This money was all emergency and relief money, and not one dime was spent for relief. You will find on page 299 the testimony of Mr. Mercey, Assistant Director of Film Service, as follows:

Mr. ENGEL. This \$331,000 is W. P. A. and P. W. A. money?

Mr. MERCEY. For the most part that is correct.

Mr. ENGEL. You didn't hire any W. P. A. labor on it at all, did you?

Mr. MERCEY. We didn't hire relief workers as such.

Mr. ENGEL. In other words, this \$331,000 did not go for the purpose for which Congress appropriated it, that is, for relief, did it, or for W. P. A. workers, people who were in need? It did not go for that purpose, did it?

Mr. MERCEY. There are a good many extenuating justifications that might be made—

Mr. ENGEL. Wait a minute. Please answer. It did not go for that purpose, did it? You can justify it if you want to. It did not, did it?

Mr. MERCEY. If you answer it strictly, I should say that you are quite correct.

Mr. ENGEL. And out of this \$331,000 you paid these per diem employees. How much per diem did you pay out?

Mr. MERCEY. I don't have that figure.

Mr. ENGEL. How much did they get per day?

Mr. MERCEY. Our per diem people receive from \$5 to \$25 per day.

Mr. ENGEL. From \$5 to \$25 per day?

Mr. MERCEY. That is correct.

Mr. ENGEL. Plus expenses?

Mr. MERCEY. Plus traveling expenses, yes, which is the regular Government traveling expense—subsistence.

Mr. ENGEL. That was paid out of these funds?

Mr. MERCEY. That is correct.

You will find on pages 290, 291, 292, and 293 a table showing the positions and the amount that each person received out of this relief money. On page 290 you will find that the director received a salary of \$10,000. The production consultant and technical consultant received \$9,000 a year each. Each of their salaries were \$25 per day when actually employed. A chief of photo research received \$4,600 a year. A

motion-picture director received \$25 per diem or an aggregate sum of \$4,350. Another motion-picture director in the A. A. A. received \$5,900 working on a \$25 per diem basis.

I learned of a picture which this agency made called *The Fight for Life*. Mr. Mercey testified, on page 300 of the hearings, that this picture cost \$150,000. I have an itemized statement furnished me by the Service showing that it cost \$178,000. I call attention to the further testimony, on page 300, which reads as follows:

Mr. ENGEL. Were those films that you took, showing the bad housing conditions, taken from actual life?

Mr. MERCEY. Yes, sir.

Mr. ENGEL. Were those people who were walking around actors, or were they people that you just got out there to take their picture?

Mr. MERCEY. We employed in the production of that picture seven professional actors, who played the principal parts.

Mr. ENGEL. What I mean is, in taking the picture, the people who were walking around those houses back and forth.

Mr. MERCEY. Well, many of them.

Mr. ENGEL. For instance, you have in that picture a scene of people going to a garbage can and taking out food. Were those people actually going there, or were they actors playing that part?

Mr. MERCEY. I will have to ask our production manager, Mr. Atkins.

Mr. ATKINS. Those are actual documentary scenes. They were not staged.

Mr. ENGEL. They were not staged? The people actually went there and got that food out of the garbage can?

Mr. ATKINS. That is true.

Mr. ENGEL. I am amazed.

Mr. HUSTON. I have seen that right here in Washington in the last 18 months.

Mr. ENGEL. I am amazed to learn that after 7 years of the abundant life under the New Deal we still have people eating out of garbage cans.

I am not discussing the picture. Personally, I saw nothing objectionable. However, I am criticizing the spending of \$178,000 of relief money for one picture, paying salaries of \$5,000, \$9,000, and \$10,000 per year out of relief money for a film service, not one dollar of which went to any person on relief. Is it not strange that after 7 years of the New Deal, after spending \$60,000,000,000 of the taxpayers' money, after trying all the quack remedies under the sun, we should take \$178,000 of relief money which Congress set aside to feed the hungry and clothe the naked and make a picture in order that we might tell those people that after 7 years of the abundant life under the New Deal they are still eating out of garbage cans?

#### WAGE AND HOUR DIVISION

I do not have time to discuss the Wage and Hour Division or to go into it in detail. Many Members of this House, including myself, were very much disturbed over the opinions of the legal department of the Wage and Hour Division interpreting that act of Congress, particularly as it pertains to the area of production. You will find in the hearings the complete examination on the subject, by the gentleman from Wisconsin [Mr. KEEFE] and me, of Mr. McNulty, the chief counsel.

In going through this department I naturally made inquiries about the Legal Division. I was amazed to learn that the man who is in charge of the department which writes the legal opinions interpreting this law, including the opinions interpreting the area-of-production clause—opinions which affect every industry from United States Steel down to the little farmer's warehouse on the corner—that man is 29 years old, was graduated from Harvard Law School in 1935, had been out of school for 4 years, and was placed in charge of this most important department.

Mr. O'CONNOR. At that point, may I ask, does this gentleman you have referred to—the young lawyer—have to try any lawsuits in connection with carrying on the affairs of the department?

Mr. ENGEL. No; but he has to construe the laws. Let me be frank. I have potato warehouses and bean warehouses in my district. Here is a farmer who grows potatoes or beans on an 80-acre farm. He takes those potatoes or beans in a wagon with steel tires and an old team 3 miles to a farmer warehouse owned by farmers in a town of 150 people, and because that warehouse has more than 7 employees they say that warehouse is not in the area of pro-

duction—that Congress did not intend to exempt that case. For heaven's sake, if Congress did not intend to exempt that warehouse, what did it intend to exempt? Those are the kind of opinions you get, and you have hundreds of them. The Secretary of Labor referred to other cases. I call your attention to page 416, part 1, of the hearings, which reads, in part, as follows:

Mr. ENGEL. On page 33 of your justifications, you have the legal branch, opinion section. You have there an assistant general counsel at \$6,500. That is a man who has charge of the opinion section of the Legal Division; is that correct?

Mr. McNULTY. That is correct.

Mr. ENGEL. What is his name?

Mr. McNULTY. Joseph Rauh.

Mr. ENGEL. How old is he?

Mr. McNULTY. Twenty-nine, I believe.

Mr. ENGEL. He told me he was 29 years old. He was graduated from the Harvard Law School in 1935. What legal experience did he have since graduating from the law school?

Mr. McNULTY. I think he first came to the Securities and Exchange Commission. Then he was a law clerk or secretary, whatever it is called, to Mr. Justice Cardozo.

On page 417 you will find his record. He was a law clerk to Justice Cardozo for about 18 months. He was law clerk to Justice Frankfurter for 1 month. On February 26, 1939, he came to the Wage and Hour Division as chief of the opinion section of the legal branch, and on June 30, 1939, 4 years after he was graduated, he was made assistant general counsel of the Wage and Hour Division at a salary of \$6,500 and placed in charge of the opinion section. On page 417 you will also find the following testimony:

Mr. ENGEL. Has this man ever tried a lawsuit?

Mr. McNULTY. No.

There is no doubt but that this is a bright young man, perhaps a brilliant young man, idealistic; but what we need in the opinion section of the Wage and Hour Division is somebody with a little realism and less idealism, and I submit that regardless as to this man's training or mind, no man 29 years old, out of law school 4 years, who has never tried a lawsuit, ought to be put in charge of a department which so vitally affects not only the various industries and corporations in the country but affects millions of farmers, their employees, and workers. I submit that a man of his age, brilliant though he may be, does not have that mature judgment that comes only with age, that one must have to handle this difficult department.

#### NATIONAL YOUTH ADMINISTRATION

I went through the National Youth Administration, and while I was not able to complete the work there because of lack of time, I have some interesting facts. I found there, a teletype pounding away, giving the news of the country. I asked Mr. Williams' assistant in just what way that teletype helped to serve the boys and girls in your district and in my district. I found no answer. When Mr. Williams appeared before the committee, I asked him the question as appears on page 621 of the hearings, part 2:

Mr. ENGEL. In what way does the use of the teletype help to give service to the students down in the country?

Mr. WILLIAMS. I think one could defend the teletype, but I am not going to make any attempt to. I will just tell you without attempting to argue that I have discontinued it.

Mr. TARVER. Then you ought to save \$900 there?

Mr. WILLIAMS. Yes.

Mr. Chairman, \$900 saved in this one little item will pay \$15 a month for 10 months in the year to six boys or girls going to school.

Again, I asked each department to furnish me with a list of the cars that they had, together with any other information. The N. Y. A. had furnished me with the name of a Ford, Chevrolet, and a Pontiac. Imagine my amazement and surprise when, in walking across from the new to the Old House Office Building, I found a beautiful new Packard parked at the curb, with a colored chauffeur at the wheel. On the door was painted the name "Federal Security Agency, National Youth Administration." I asked the chauffeur whose car it was. He told me that it was Mr. Williams' car.

In the testimony, on page 364, Mr. Williams testified that he thought he was buying a Buick but when the car arrived, it was a Packard; that he paid \$722 for the car, and that the



delivery price was not in excess of \$1,200. I, of course, do not question that testimony, but I am wondering whether he got the colored chauffeur who sat in the car for half price.

I drive a 1938 Ford. If you will examine it carefully, you will not find any colored chauffeur at the wheel. If you will look at the cars parked in front of the office buildings, you will find that very few Members of Congress have Packards, and certainly few of them have chauffeurs. They drive their own cars. This chauffeur undoubtedly gets from \$1,200 to \$1,400 a year. A salary of \$1,200 a year, not including expenses, will pay \$15 a month to 8 boys or 8 girls for 10 months while they are attending school. It is their money we are spending. I would suggest to Mr. Williams that he apply the same principle to the chauffeur that he applied to the teletype and save another \$1,200.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. O'CONNOR. In the gentleman's reference to cars operated by the C. C. C. and other agencies he referred to cars of subordinate officials being driven by chauffeurs.

Mr. ENGEL. Yes. I drive a 1938 Ford. If these men I refer to are being driven around by chauffeurs, they should not be.

Mr. O'CONNOR. Will the gentleman state just what he means by that?

Mr. ENGEL. He is not a Cabinet member.

Mr. O'CONNOR. But he is an officer of the Government.

Mr. ENGEL. But that is no reason why he should be furnished a chauffeur.

Mr. O'CONNOR. The gentleman is right, and I am not defending the practice. I am simply trying to show it is a practice that is followed which should be stopped.

Mr. ENGEL. The cost of the teletype and chauffeur comes out of the boys and girls of the country.

Mr. O'CONNOR. And that practice should be stopped.

Mr. ENGEL. Absolutely.

Mr. O'CONNOR. It seems to me it is the committee's duty to stop it by earmarking the funds.

Mr. ENGEL. I am sorry that time did not permit me to go into this department in more detail. I was impressed, however, with Mr. Williams' willingness to adopt suggestions made by the committee. These two items are small and perhaps of little importance, but I hope that it is not typical of other matters in the department. [Applause.]

Mr. ENGEL was granted leave to include in his remarks certain tables compiled by himself. Also, Mr. ENGEL was granted leave to extend his remarks in the RECORD.

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, what I shall say will deal mostly with the Civilian Conservation Corps. I think that in all of the 7 years of the New Deal nothing has been thought out and inaugurated that has more completely met the overwhelming approval of the American people than the C. C. C. Its benefits are both direct and indirect; its benefits are both immediate and remote; its benefits no doubt will be felt even in the next half of this century.

Mr. Chairman, we have today in this country, 1,500 C. C. C. camps located in every State of the Union. Last year we appropriated for the Conservation Corps \$295,000,000. With that figure we accommodated, roughly, 300,000 enrollees in this country. This year, under the estimates submitted to the committee, it is anticipated there will be 1,227 C. C. C. camps compared with the present 1,500. Of course, I know the committee has figured out that 55 camps more may be operated by reducing the overhead. The expenditure is \$230,000,000 compared with \$295,000,000, and the number of enrollees to be accommodated this year will be 245,400 compared with 304,000 during the present year.

Breaking this down into percentages, we find that the \$230,000,000 which stands as the figure in this bill, is 77.9 percent of the \$295,000,000 appropriated last year; but we find that the number of enrollees that will be taken care of under the present bill compared with last year's bill in percentage is not 77.9 but 70.2 percent. In other words, Mr. Chairman, we are taking a bigger cut off the boys in these

camps by, roughly, 8 percent than we are taking off of the top of the structure. Surely no one can argue that is fair, if the present system has been working well, and we think it has been. I am sure the same thing has happened to you, Mr. Chairman, that has happened to me and to every Member of Congress. Since the reduction became known you have been receiving requests from your States and districts asking you to restore the cut. Members of the Senate have been receiving those same requests, and the Department has been receiving them. The reason is that the American people do not favor this reduction in the C. C. C.

The State of Arkansas passed a resolution, the State Planning Board of Arkansas and the State Parks Commission of Arkansas passed a resolution, requesting that Congress or the administration, as the case may be, see to it that these proposed reductions in the C. C. C. will be proportionate with the camps instead of eliminating enough camps to take up the reduction, which seems to be a fair proposition.

The day before yesterday I introduced a bill, H. R. 8975, to do that very thing. If I could properly offer such an amendment to this bill without its being subject to a point of order I would certainly do so. You and I would not contend, if we were going to cut relief half in two or cut off 22 percent, as is being done in this bill, that we should cut off relief entirely in some counties and continue the status quo in other counties. We would not contend that. I hope that someone will offer an amendment; and if no one else does, I believe that before the consideration of this bill is completed I shall do so, to increase this item \$50,000,000. I understand from talking with the Director of the C. C. C. that \$50,000,000 would do the job. This would still be \$10,000,000 under the present figure, but he believes they could get by on \$50,000,000 and leave intact all the camps that are now in existence.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. ELLIS. I yield to the gentleman from Montana.

Mr. O'CONNOR. May I say that the gentleman is making a very fine and informative speech in support of the C. C. C. camps.

Mr. ELLIS. I thank the gentleman.

Mr. O'CONNOR. I believe the C. C. C. camps have made more lasting and beneficial improvements than have been made by any other department in connection with conservation and relief work. May I say to the gentleman that if he or any other Member offers an amendment such as he suggests I shall give it my hearty support.

Mr. ELLIS. I thank the gentleman.

Along the line of what the gentleman was speaking of, may I read from the report of the committee some of the things of value which the committee states the C. C. C. has done in this country? The committee states that the C. C. C. has planted in this country more than 1,700,000,000 forest trees. Surely that is adding tremendously to the wealth of this Nation. It is not an expenditure; it is a capital investment.

Mr. O'CONNOR. If the gentleman will yield further, may I point out that I have had the personal experience of seeing great forest fires raging in the forests of my own State and being eventually put out by the C. C. C. boys, who were driven in there by Army trucks, and did that work at the risk of their lives. By doing this they saved a tremendous amount of capital wealth to the country in the form of these great and magnificent virgin forests.

Mr. ELLIS. The gentleman from Montana has in his State a number of these forest camps, I believe fifty-some altogether, camps of all different branches of the Government. The committee has listed the very activity of which the gentleman speaks as one of the great values of the C. C. C. The committee says that fire-hazard reduction has been prosecuted on nearly 2,000,000 acres, that 75,000 miles of telephone lines have been constructed, I presume mostly in the forests, and that 109,000 miles of truck trails and minor trails have been completed, with nearly 500,000 miles maintained. The committee also states that saving-check dams numbering nearly 5,000,000 have been built to prevent erosion. Think of it; 5,000,000 saving-check dams. This again adds to the capital wealth of this Nation and is not an expenditure. I believe we all agree that the total cost of the C. C. C. in this country

when offset by the values which it has added to the wealth of this Nation is nothing.

Some of these days the boys and girls who are of the age of the boys now in these camps are going to take over this country, and some of these days we are going to see youth movements in this country much like those on the continent of Europe unless we do something about the boys who are today unemployed.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. ELLIS. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman uses the phrase "some of these days." Does not the gentleman believe that when in the future we read the biographies of some of our great men of the future we will find that in their early days they put in time at a C. C. C. camp? Just as we read in the biographies today of men who were Spanish-American War veterans and turned out to be great businessmen; are we not making great businessmen and great leaders in these C. C. C. camps?

Mr. ELLIS. Yes, indeed. I also believe, I may say to the gentleman, that if the day ever comes in this country when the boys who are today walking the streets, and have nothing to do and cannot find anything to do, get in the majority, that is the day American democracy will no longer be safe.

Mr. WHITE of Idaho. Does not the gentleman believe it is a great education in itself for these boys to be transported from the cities to the newly developed sections of the country where they can learn to build roads and learn to crib and handle timber and do other useful things, such as running rock drills? I may say to the gentleman that in my section men who learned to run rock drills in the C. C. C. camps are now in demand in the mines at \$5 a day, and the employers are glad to get them. I can cite one case where five boys have gone out of the camps and have been taken in as expert machine drillers by the mines of Idaho.

Mr. ELLIS. What the gentleman says is in partial answer to the statements of the gentleman who preceded me, who was talking about the overhead of experts in these camps. I sincerely believe it would do no good at all toward helping these boys get along in the world merely to segregate them in camps and keep them there and pay them so much a month. They would be worse off when they came out, perhaps. But when you put men in these camps who are trained, who are expert carpenters, expert concrete mixers, expert steel workers, experts in every line, under whom the boys may learn a trade, then you are helping to educate these boys and make them useful citizens, and they will not join Communist movements in this country.

Mr. WHITE of Idaho. It is my observation that the practical men who go out and handle these boys and teach them to operate machinery and follow other trades are of more value to the rising generation than are some of our highest-paid college professors.

Mr. ELLIS. They are doing a great work.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield for another observation?

Mr. ELLIS. Yes.

Mr. O'CONNOR. The Government of the United States is spending a tremendous amount of money for the purpose of conservation of our natural resources. I have observed the work of these C. C. C. boys, particularly in the forests. They are employed along the line of building roads in the forests, marking out and building trails in virgin forests, the purpose of this being to enable people to get into the forests during these great forest fires, so as to put out the fires and save these great millions of acres of fine timber in the forest regions. Now, it seems to me it is penny wise and pound foolish to curtail this expenditure or to cut down this appropriation, thereby taking the chance of losing the millions of acres of splendid forest trees. We are getting more than value received for this outlay of money.

Mr. ELLIS. I thank the gentleman for his contribution.

In conclusion, I think we have done the same thing with N. Y. A. that we have done with the C. C. C. We have made an unwise reduction. They, too, like the C. C. C., have done a

great work in this country. Much has been done to help the youth of this Nation, much has been done to stabilize the unrest that did exist and will still exist among the youth.

I am sure the administration was sincere in recommending this cut, I am sure the committee was wholly sincere in recommending the cut, but I am also sure that if you and I feel that it is the overwhelming opinion of the American people whom we represent that these agencies should not be thus reduced, then it becomes our duty to endeavor to retain them at the proper status without these drastic reductions. [Applause.]

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, the American people will be astonished and shocked to learn of the existence of a joint agreement between the United States and Great Britain—secretly negotiated and relating to joint control over strategically located islands in the Pacific Ocean—which in its implications amounts to a political alliance of far-reaching and dangerous consequences.

The agreement relates to the Canton and Enderbury Islands of the Phoenix group located some 1,912 miles southwest of Hawaii and some 1,316 miles southeast of the Japanese mandated islands.

The agreement, which has the force and effect of a treaty and by its terms is to endure for 50 years, is the fruit of a controversy between Great Britain and ourselves with respect to the ownership of these islands and rests upon diplomatic interchanges between the two Governments which have never been made public, and which the State Department now refuses to disclose to Members of Congress.

The facts evidence that President Roosevelt and Secretary of State Hull have been guilty of collusive action in entering into this alliance with Great Britain in relation to these islands, and that secret diplomacy has dominated the situation from start to finish.

In March, 1937 the British Government took formal and legal possession of these islands. A year later, after our State Department had had secret correspondence with Great Britain, the United States, according to the press, seized the islands, asserting ownership.

It is manifestly absurd, in view of Secretary Hull's repeatedly declared policy of "parallel action" with Great Britain, to suppose that the United States seized these islands claimed by Great Britain, which act in itself was an act of war, without some previous understanding with Great Britain.

Here was a situation of conflicting claims of ownership which obviously called for arbitration, and had good faith and honesty of purpose governed the action of the United States arbitration would have been sought; but instead there was more secret negotiation with Great Britain, and in August, 1938 the issuance of a joint communiqué which announced that the two Governments had "agreed to set up a regime for the use in common of these islands."

The next step, so far as the public is concerned, was the exchange of joint notes in April, 1939 between Secretary of State Hull and the British Ambassador which purported to recite an agreement respecting the joint control of the two Governments over these two islands for civil aviation. One of the vices of this agreement was the provision whereby the two Governments may secretly agree to use the islands for any other purpose.

If an enemy of Great Britain should attack these islands, the United States, having joint control over them, would have to join Great Britain in their defense, thereby becoming involved in war. Such an arrangement constitutes not only a political alliance but, what is more, a military alliance, inasmuch as even the armament of the islands could be agreed upon secretly by the two Governments.

The United States has no such arrangement with any other nation.

The United States is being deliberately entangled in Asia for British political purposes. British economic interests in Asia are 10 times greater than those of the United States.

This alliance was closely followed by our notice to Japan of termination of treaty relations, a move manifestly in ac-



cord with British policy in the Far East. Now we have threats of embargoes by the United States of trade with Japan and threats by Japan of retaliation, all of which are the seeds of war.

The making of secret commitments which cannot be disclosed to the people or to officials of the Government is the policy of dictators. President Roosevelt and Secretary of State Hull make a fateful mistake if they believe that when loyal Americans, not hyphenated Americans who put British interests ahead of American interests, obtain control of this Government there will not be an investigation of this political alliance and of other political commitments made in the interest of Great Britain.

I shall now read the correspondence between the State Department and myself in relation to Canton and Enderbury Islands:

APRIL 13, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State,  
Washington, D. C.

MY DEAR MR. HACKWORTH: I note in the press that there has been an exchange of notes between Secretary Hull and the British Ambassador making a 50-year agreement for "the joint control of the United States and Great Britain" of Canton and Enderbury Islands, part of the Phoenix group of coral islands lying midway between Hawaii and Australia.

Will you kindly give me a short résumé of the facts in the situation which led to this agreement, including advice concerning the discovery of these islands?

With appreciation of your attention and with cordial personal regards, I remain,  
Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, April 21, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: I have your letter of April 13, 1939, in regard to Canton and Enderbury Islands of the Phoenix group in the Pacific Ocean.

I am not in a position to state who were the discoverers of these two islands. However, they were known to American whalers before 1828.

Without entering into details concerning the claim of the United States to the two islands, I may state that Enderbury and Canton, under the name of Mary's, were, along with other islands, included in the lists of guano islands appertaining to the United States issued by the Treasury Department. These lists are printed in Moore's International Law Digest, volume 1, pages 567-568. On December 31, 1859, Lewis Cass, Secretary of State, issued to the Phoenix Guano Co. a guano certificate covering Enderbury and certain other islands. On March 3, 1938, the President by Executive order placed Canton and Enderbury Islands under the control and jurisdiction of the Secretary of the Interior for administrative purposes.

The British Government has also claimed jurisdiction over these two and other islands in the Phoenix group, and the British order in council of March 18, 1937, provided for the incorporation of the islands in the Gilbert and Ellice Island colony. This Government has not acceded to the British claims. In view of their conflicting claims, the two Governments, by an exchange of notes on April 6, 1939, agreed, without prejudice to their respective claims to Canton and Enderbury Islands, to a joint control over these two islands.

A copy of the Department's press release, No. 129, of April 6, 1939, containing the text of this agreement is enclosed.

Sincerely yours,

GREEN H. HACKWORTH,  
Legal Adviser.

(Enclosure: Press release No. 129.)

MAY 31, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. HACKWORTH: I trust you will excuse my delay in thanking you for your communication of April 21 in regard to Canton and Enderbury Islands of the Phoenix group in the Pacific Ocean (your reference Le 811.0141 Phoenix group/122).

In your letter you refer to a list of guano islands printed in Moore's International Law Digest, volume 1, pages 567-568. The list of guano islands in Moore's International Law Digest is followed by detailed information concerning various islands as to which correspondence had taken place. There does not appear to have been any international discussion regarding the islands particularly mentioned above at the time of the publication of the Digest of International Law in 1906. Were there any international discussions regarding these islands previous to the recent discussions which resulted in the agreement of "joint control" by the United States and Great Britain? What is the evidence?

In your letter you state: "On March 3, 1938, the President, by Executive order, placed Canton and Enderbury Islands under the control and jurisdiction of the Secretary of the Interior for admin-

istrative purposes." But you also state that the British Government by an Order in Council of March 18, 1937, provided for the incorporation of Canton and Enderbury Islands "and other islands in the Phoenix group" in the Gilbert and Ellice Island colony." You further state that the Government of the United States "has not acceded to the British claims," but that, in view of their conflicting claims, the two Governments, by an exchange of notes on April 6, 1939, "agreed without prejudice to their respective claims to Canton and Enderbury Islands, to a joint control over these two islands."

Taking these statements as a whole, it appears that the President's Executive order placing Canton and Enderbury Islands "under the control and jurisdiction of the Secretary of the Interior for administrative purposes" was issued a year after the British Government had by Order in Council incorporated them in the Gilbert and Ellice Island colony. My question is: Was any correspondence on the subject exchanged between March 18, 1937, and March 3, 1938? You make no statement in relation to this.

Of course, the British Foreign Office has a copy of Moore's International Law Digest, and those who are familiar with the work and use it may be supposed to know that it contains a list of the islands which are considered as "appertaining to the United States," under the Guano Islands Act of August 18, 1856.

If we assume that the British Government possessed such information, it is natural to infer that it had a particular reason for undertaking to assert sovereignty over the islands in question. Possibly they saw fit to assume that the islands had been abandoned by the United States and took the chances of acting upon that assumption. However, in your letter to me it does not expressly appear that when the Executive order of March 3, 1938, was issued the Department of State was acquainted with the Order in Council of March 18, 1937. Will you kindly inform me whether or not the Department of State was acquainted at that time with the Order in Council of March 18, 1937?

You do not state in your letter to me what is meant by "joint control." Will you kindly elucidate this point?

If the "joint control" is meant for military purposes—and I wish to ask whether or not it is, and if it is alleged that it is not, what prevents it from being so—let me observe that an embarrassing situation might arise in case the parties should not be acting in harmony; and the embarrassment would not be lessened if their interests and their aims should positively conflict. Such a predicament is always possible between parties that are independent and equal.

With appreciation of your kind attention and with cordial personal regards, I remain

Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, June 9, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: In response to the inquiries contained in your letter of May 31, received June 6, 1939, concerning Canton and Enderbury Islands, you are informed that between March 18, 1937, and March 3, 1938, correspondence was exchanged between the United States and Great Britain concerning their divergent views respecting sovereignty over these islands, and this Government was furnished a copy of the British Order in Council of March 3, 1937, to which you refer. This correspondence has not been made public, and I am not, therefore, in a position to discuss it in detail.

The nature of the joint control to be exercised over the islands by the two Governments is indicated by the exchange of notes of April 6, 1939, the texts of which are embodied in the Department's press release No. 129 of April 6 last, a copy of which has already been furnished you, but another copy of which is enclosed for your convenience.

You will note that paragraph 5 stipulates that the use of any part of either of the islands or their territorial waters for aviation purposes, except as therein agreed upon, or for any other purpose shall be the subject of agreement between the two Governments.

Sincerely yours,

GREEN H. HACKWORTH,  
Legal Adviser.

(Enclosure: Press release No. 129, April 6, 1939.)

JULY 10, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. HACKWORTH: I regret that the press of many urgent matters has so long delayed my writing you to thank you for your letter of June 9, 1939, concerning Canton and Enderbury Islands (your reference Le 811.0141 Phoenix group/140).

In your letter you stated "that between March 18, 1937, and March 3, 1938, correspondence was exchanged between the United States and Great Britain concerning their divergent views respecting sovereignty over these islands, and this Government was furnished a copy of the British Order in Council of March 3, 1937, to which you refer. This correspondence has not been made public, and I am not, therefore, in a position to discuss it in detail."

May I see the correspondence in question if I come personally to the Department?

Mr. Hull's note of April 6, 1939, proposed an agreement which the British Ambassador's note accepted in the terms in which it was

presented to him; and this agreement, which embraces aviation in the most comprehensive terms, is to last for 50 years. During all those years the islands are to be subject to "a special joint ad hoc regime, the details of which shall be determined by the two Governments in consultation from time to time." Moreover, while it is specifically provided (pars. 3, 4, 5) that during those 50 years only civil aviation companies incorporated in the United States or in British jurisdiction shall be permitted to use the islands for scheduled air services, yet it is stipulated that the use of them for "any other purpose," aviation or otherwise, shall be the subject of agreement between the two Governments. From this it appears to follow that, as neither Government admits the other's claim of sovereignty over the islands, they have agreed jointly to use them in common, to the exclusion of all other powers. In the papers that have been disclosed there is nothing to show that a third power has advanced a competing claim of title. On the other hand, as each of the two joint users claims title, it would seem logically to follow that if a power at war with only one of them should attack the islands, both would combine to repel the attack, and in this aspect the agreement would in effect operate as an alliance.

With cordial personal regards, I remain,  
Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, July 25, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: In response to your letter of July 10, 1939, I regret to inform you that exchange of communications with Great Britain with respect to Canton and Enderbury Islands could not be made available for your inspection without the consent of the British Government.

This correspondence does not amplify or modify in any way the information in regard to the joint control over these islands, contained in press releases No. 384 of August 10, 1938, and No. 129 of April 6, 1939, copies of which you already have.

Sincerely yours,

GREEN H. HACKWORTH.

JULY 27, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. HACKWORTH: I thank you for your letter of July 25, 1939, your reference Le 811.0141 Phoenix group/144.

I have before me a map of the Pacific Ocean published in December of 1936 by the National Geographic Society. I note on this map that Christmas Island carries the notation, "United States and Great Britain." Will you please explain what the situation is in relation to this island and how such a connection as that indicated came about, and when?

With appreciation of your attention and with cordial personal regards, I remain,

Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, August 3, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: I have your letter of July 27, 1939, in which you refer to a map of the Pacific Ocean published in December 1936 by the National Geographic Society on which Christmas Island carries the notation "United States and Great Britain," and request to be informed of the situation with respect to this island.

As you doubtless are aware the National Geographic Society is not a governmental institution and its maps are not official publications of this Government.

According to the Department's information, Christmas Island was discovered by Capt. James Cook, a British subject, on December 24, 1777. Capt. John Stetson, of New Haven, Conn., reported having landed on Christmas Island from the American ship *Equator* on February 15, 1825.

The island has been occupied at various times by American citizens and British subjects. It was first occupied by Americans about 1858 and was bonded as an American guano island on December 29, 1859. Christmas was included in the lists of guano islands issued by the Treasury Department. See in this connection Moore's International Law Digest, volume I, page 567. You may also desire to read the discussion of Christmas Island commencing on page 572 of that volume and also to see the exchange of correspondence referred to therein between the United States and Great Britain concerning this island which is published in the Foreign Relations of the United States 1888, volume I, pages 712, 713, 727-728.

The island is now reported to be occupied by the Central Pacific Coconut Plantations, Ltd., a British corporation, under a lease from the British Government which grants the use of the island for 87 years from January 1, 1914. By a British Order in Council dated July 30, 1919, the boundaries of the Gilbert and Ellice Islands colony were extended to include Christmas Island. No protest in respect to the British Order in Council of 1919 has been made by the Government of the United States.

Sincerely yours,

GREEN H. HACKWORTH.

AUGUST 5, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. HACKWORTH: I thank you for your letter of August 3, 1939, your reference Le 811.0141 Phoenix Group 144.

May I ask whether there are any other islands than Canton and Enderbury Islands, or any other territory, which are owned in common by Great Britain and the United States?

May I ask you further whether you know of any other similar arrangement in the world, under which islands or territory are under joint ownership or control of two or more countries? Of course, I do not mean islands or territory some or part of which is under the jurisdiction of one country and some or part of which is under the jurisdiction of another country.

With cordial good wishes, I remain,

Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, August 22, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: In the absence of Mr. Hackworth I acknowledge the receipt of your letter dated August 5, 1939, addressed to him, inquiring whether there are any other islands than Canton and Enderbury Islands, or any other territory, which are owned in common by Great Britain and the United States.

As you will note from the copy of the Department's press releases transmitted herewith, the islands of Canton and Enderbury are not "owned in common" by Great Britain and the United States, but provision is made for "a joint control over these islands" by the two Governments. There are no islands or other territory which are owned in common by Great Britain and the United States.

With respect to your inquiry whether there is any other similar arrangement in the world under which islands or territory are under joint ownership or control of two or more countries, you are advised that the New Hebrides are under the joint administration of Great Britain and France, pursuant to the British-French Convention of October 20, 1906, which was superseded by a protocol of August 6, 1914, and extended until modified by common agreement by an exchange of notes of December 15, 1922, and December 25, 1922, between the British and French Governments. Administrative regulations with respect to the New Hebrides were approved by these Governments by an exchange of notes of August 29, 1907, amended by exchanges of notes dated December 15, 1931, and January 31, 1935.

Reference is also made to the British-Egyptian agreements of January 19 and July 10, 1899, which provide for the administration of Sudan. The status of Sudan as a condominium was reaffirmed by article 11 of the British-Egyptian Treaty of August 26, 1936.

You doubtless recall the general act providing for the neutrality and autonomous government of the Samoan Islands concluded at Berlin on June 14, 1889 (26 Stat. 1497), under which Great Britain, Germany, and the United States exercised jurisdiction over these islands. This general act was replaced by the convention respecting the Samoan Islands, concluded on December 2, 1899 (31 Stat. 1878), between the United States, Germany, and Great Britain.

Sincerely yours,

JOSEPH R. BAKER,  
Acting Legal Adviser.

(Enclosure: Press releases.)

NOVEMBER 24, 1939.

JOSEPH R. BAKER, Esq.,

Assistant to the Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. BAKER: Please accept my belated thanks for your letter of August 22, written in reply to a letter which I wrote to Mr. Hackworth on August 5 concerning questions in relation to Canton and Enderbury Islands. Had I not been obliged to spend considerable time out of Washington since the receipt of your letter, you would have heard from me much sooner in relation to its contents.

In your letter of August 22 you state that Canton and Enderbury Islands are not "owned in common" by Great Britain and the United States but that Great Britain and the United States agreed to "a joint control" by the two Governments. Your letter fails to show any distinction between common ownership and joint control. If the control does not mean ownership, it would be interesting to know by whom the islands are owned. You would I take it, be reluctant to admit that they are owned by the natives but controlled by Great Britain and the United States, because that would be hardly consistent with the exalted conception of "democracy" of which we now assume to be the glorified champion.

Your letter cites precedents for the assertion of joint control, and among them you mention the Sudan as a "condominium" reaffirmed by a British-Egyptian treaty of August 26, 1936. If you will consult Webster's Dictionary you will find "condominium" defined as "joint dominion or sovereignty," and specifically, in Roman law, as "joint ownership." Similar language will be found in other dictionaries. Moreover, no matter what we may call the joint occupation, it necessarily implies the right and the intention to defend it against the claim of any other power. It can hardly be supposed that if some third power, whether Germany or any other, should de-



mand, not indeed the exclusive control, but a joint control of the islands with the two present occupants, the latter would feel that they were obliged to yield the claim without a fight. We have taken the ground without any physical occupation of the Latin American countries that we would defend them by force against occupation by any European power. I fancy that we should not have supposed our claim of protection and defense to be weakened if we had induced some other power to share the burden with us, or if we ourselves had actually assumed control of them.

You will understand the pertinency of the foregoing observations if you will read my earlier correspondence with Mr. Hackworth in relation to these islands.

With kindest regards, I remain,  
Sincerely yours,

GEORGE HOLDEN TINKHAM.

DEPARTMENT OF STATE,  
Washington, December 2, 1939.

The Honorable GEORGE HOLDEN TINKHAM,  
House of Representatives.

MY DEAR MR. TINKHAM: I have read with interest your letter of November 24, 1939, addressed to Mr. Joseph R. Baker in further relation to Canton and Enderbury Islands.

As you of course are aware, sovereignty and ownership are not synonymous terms. A State may have sovereignty over territory privately owned and even over territory owned by aliens. There has been no discussion regarding the actual ownership of the land comprising the islands in question. As heretofore indicated these islands are not owned in common by the United States and Great Britain, but are merely under the joint control or administration of the Governments of the two countries. The present situation is due to the fact that the two Governments having conflicting claims to sovereignty over Canton and Enderbury Islands, as a practical expedient and without prejudice to their respective claims, entered into the arrangement for joint control embodied in the exchange of notes of April 6, 1939, of which you have copies.

Sincerely yours,

GREEN H. HACKWORTH,  
Legal Adviser.

DECEMBER 1, 1939.

The Honorable GREEN H. HACKWORTH,  
Legal Adviser, Department of State, Washington, D. C.

MY DEAR MR. HACKWORTH: In your letter of July 25, 1939 (your reference Le 811.0141 Phoenix Group/144), you stated:

"In response to your letter of July 10, 1939, I regret to inform you that exchange of communications with Great Britain with respect to Canton and Enderbury Islands could not be made available for your inspection without the consent of the British Government."

After carefully investigating the matter it is my understanding that prior to 1913 the publication of our diplomatic correspondence was kept up to date; that in our earliest days as a government, even when wars pervaded the entire globe, we published everything, and that we were in a position to do this freely because we had no secret commitments; that the annual publication of our diplomatic correspondence began during our Civil War, and that while that great conflict was going on, as many as four volumes were published in one year, and that their contents candidly and comprehensively covered the entire field of our foreign relations.

It would seem that since the era of "open covenants openly arrived at," proclaimed as an American policy in 1918-19, there have been secret commitments which cannot be disclosed to the people or to officials of the Government. The significance of this situation does not appear to have been grasped either by our people or by those who, as Senators and Representatives, act for them in the Congress. We read and hear the daily prattle about "dictatorships," but a dictatorship is nothing but a system under which an individual in an executive office disposes of the fate of a country and its people as he likes. Consequently, a country in which secret engagements are made, which are not to be disclosed to the legislature or the people without the consent of the other party, is necessarily living under a dictatorial regime. In my opinion, the acceptance of such a situation by the legislature does not mitigate the situation; on the contrary, it seems to me that the submission demonstrates that the legislature has abdicated its functions.

It would appear from the facts that the transaction between Great Britain and the United States with regard to Canton and Enderbury Islands constitutes an alliance; that arbitration, the classic method of settling disputed territorial ownership, has been carefully avoided in this case, just as it would be avoided in the case of a collusive transaction so that the true facts in the situation would not come to light. The apparent desire to conceal the true facts in this matter would seem clearly to support a charge of secret diplomacy. In the circumstances, it seems to me that there should be an independent and thorough examination of the transaction in question by the Congress.

Sincerely yours,

GEORGE HOLDEN TINKHAM.

No. 129

DEPARTMENT OF STATE,  
April 6, 1939.

Confidential release for publication at 3 p. m., Eastern standard time, Thursday, April 6, 1939. Not to be previously published, quoted from, or used in any way

On August 11, 1938, the following joint communiqué was issued simultaneously in London and in Washington:

"The Governments of the United States and of the United Kingdom have agreed to set up a regime for the use in common of the islands of Canton and Enderbury in the Phoenix group and for the employment of these islands for purposes connected with international aviation and communication, with equal facilities for each party. The details of the regime will be determined in notes to be exchanged between the two Governments."

The Secretary of State made public today the texts of notes exchanged on Thursday, April 6, 1939, between the Government of the United States and the Government of the United Kingdom defining the future administration of the islands. The texts of the notes are as follows:

NOTE FROM THE SECRETARY OF STATE TO THE BRITISH AMBASSADOR IN WASHINGTON

APRIL 6, 1939.

EXCELLENCY: With reference to recent correspondence between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland concerning Canton and Enderbury Islands in the South Pacific Ocean, I have the honor to propose an agreement concerning these islands in the following terms:

1. "The Government of the United States and the Government of the United Kingdom, without prejudice to their respective claims to Canton and Enderbury Islands, agree to a joint control over these islands.

2. "The islands shall, during the period of joint control, be administered by a United States and a British official appointed by their respective Governments. The manner in which these two officials shall exercise the powers of administration reserved to them under this paragraph shall be determined by the two Governments in consultation as occasion may require.

3. "The islands shall, during the period of joint control, be subject to a special joint ad hoc regime the details of which shall be determined by the two Governments in consultation from time to time.

4. "The islands shall be available for communications and for use as airports for international aviation, but only civil aviation companies incorporated in the United States of America or in any part of the British Commonwealth of Nations shall be permitted to use them for the purpose of scheduled air services.

5. "The use of any part of either of the islands or their territorial waters for aviation purposes, except as herein agreed upon, or for any other purpose, shall be the subject of agreement between the two Governments.

6. "An airport may be constructed and operated on Canton Island by an American company or companies, satisfactory to the United States Government, which, in return for an agreed fee, shall provide facilities for British aircraft and British civil aviation companies equal to those enjoyed by United States aircraft and by such American company or companies. In case of dispute as to fees, or the conditions of use by British aircraft or by British civil aviation companies, the matter shall be settled by arbitration.

7. "The joint control hereby set up shall have a duration of 50 years from this day's date. If no agreement to the contrary is reached before the expiration of that period, the joint control shall continue thereafter until such time as it may be modified or terminated by the mutual consent of the two Governments."

I have the honor to suggest that if an agreement in the sense of the foregoing paragraphs is acceptable to the Government of the United Kingdom this note and Your Excellency's reply thereto in similar terms shall be regarded as placing on record the understanding arrived at between the two Governments concerning this matter.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL.

NOTE FROM THE BRITISH AMBASSADOR TO THE SECRETARY OF STATE

APRIL 6, 1939.

SIR: I have the honor to refer to your note of this day's date proposing an agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America on the subject of Canton and Enderbury Islands in the following terms:

"1. The Government of the United States and the Government of the United Kingdom, without prejudice to their respective claims to Canton and Enderbury Islands, agree to a joint control over these islands.

"2. The islands shall, during the period of joint control, be administered by a United States and a British official appointed by their respective Governments. The manner in which these two officials shall exercise the powers of administration reserved to them under this paragraph shall be determined by the two Governments in consultation as occasion may require.

"3. The islands shall, during the period of joint control, be subject to a special joint ad hoc regime, the details of which shall be determined by the two Governments in consultation from time to time.

"4. The islands shall be available for communications and for use as airports for international aviation, but only civil aviation companies incorporated in the United States of America or in any part of the British Commonwealth of Nations shall be permitted to use them for the purpose of scheduled air services.

"5. The use of any part of either of the islands or their territorial waters for aviation purposes, except as herein agreed upon, or for any other purpose, shall be the subject of agreement between the two Governments.

"6. An airport may be constructed and operated on Canton Island by an American company, or companies, satisfactory to the United States Government, which, in return for an agreed fee, shall provide facilities for British aircraft and British civil aviation companies equal to those enjoyed by United States aircraft and by such American company or companies. In case of dispute as to fees, or the conditions of use by British aircraft or by British civil aviation companies, the matter shall be settled by arbitration.

"7. The joint control hereby set up shall have a duration of 50 years from this day's date. If no agreement to the contrary is reached before the expiration of that period, the joint control shall continue thereafter until such time as it may be modified or terminated by the mutual consent of the two Governments."

I have the honor to inform you that an agreement in the terms of the foregoing paragraphs is acceptable to the Government of the United Kingdom, and that this note, and your note under reference, will be regarded as placing on record the understanding arrived at between the two Governments concerning this matter.

I have the honor to be, with the highest consideration, sir,

Your most obedient, humble servant,

R. C. LINDSAY.

Mr. SHEPPARD. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, I desire at this time to call the attention of the Members of the House to Senate bill 3046, the bill introduced by the distinguished senior Senator from New Mexico, the Honorable CARL A. HATCH, extending the provisions of the original Hatch Act to employees of State agencies which are financed, in whole or in part, from Federal funds.

There is no other measure before the Congress which so holds the interest of the American people, and has their universal commendation—rightfully so—as does this particular legislation.

The amendments proposed in this bill have been adopted by the other body of this Congress by a more than two-to-one vote. The Senate-approved measure is now before the Judiciary Committee of this House for consideration, and, I sincerely trust, its approval.

Mr. Chairman, I particularly direct this legislation to your attention because of rumors, I might say whispers, which, in the past few days, have continually grown in volume until they are reverberating through the Capitol, indicating an effort will be made to pigeonhole this bill in committee. I feel confident that the leadership and members of this House, recognizing the wishes of the people of the country whom they represent, will not tolerate or sanction any such action. The Members of this body are entitled to an opportunity to consider and approve, or disapprove, the bill and make known to the public their position, either for or against the measure.

I desire also, Mr. Chairman, to direct attention to the Gallup poll, as it appeared in the Washington Post of March 20, 1940. It is not my intention to single out any particular State and refer to it in any way that might be construed as derogatory. The Gallup poll, however, does have to do with the State of Pennsylvania, and it reveals some very interesting and, I believe, significant facts.

For instance, this poll, which has an excellent record for accuracy, shows in 1936 President Roosevelt carried the State with 58 percent of the major party vote cast. In 1938, the poll reveals, the Republican candidates for the House of Representatives polled 53 percent of the major party vote in the congressional elections, to 47 percent for the Democrats, and a Republican Governor was elected with a 54-percent vote. In 1939 the Gallup Institute survey in July showed Democratic strength at 46 percent to 54 percent Republican, a new low level in Democratic strength since President Roosevelt was first inaugurated. Today, the poll shows, sentiment is virtually evenly divided, with 51 percent of the voters favoring a Democratic victory in the Presidential election, and 49 percent a Republican victory. What has brought about this change? Let me say to you, Mr. Chairman, the passage of the Hatch Act did more than any other one factor by restoring the confidence of the people in the Democratic Party and its leadership. By adopting in the House the amendments to the Hatch Act, as they recently passed the Senate, and are now in the House Judiciary Committee, an even greater confidence will be inspired in the public.

What possible valid reason could be given for failure of this House to act favorably upon the amendments now pending? The feeling in some quarters, I understand, is that it will deprive the Democrats of sufficient campaign funds to match those which the Republican Party may be able to obtain. I desire to make a suggestion to the Democrats, which I strongly feel will be helpful. Campaign funds are sought only to be used for increasing the vote for the ticket of a political party. That may result, in a degree, but history has shown repeatedly that any party that can instill confidence in the minds and hearts of the voters is building strength that no campaign fund can offset. Confidence is the greatest possible political asset and I, as one Democrat, am in favor of relying on public confidence and faith rather than on any campaign policy which requires the use of large funds, no matter from what source they may be derived.

In my opinion the attitude of the general public toward this legislation is faithfully reflected through those channels of expression which the public possesses. It is significant, indeed, that virtually every newspaper, every magazine, every radio commentator or reporter in the United States is favorable to this measure. I am equally certain that the great majority of the Members of this House will honestly reflect the sentiment of the public which they represent and vote for the amendments to the Hatch Act in the event this legislation is brought before them for action.

Mr. Chairman, let me call your attention to the situation which exists today in the Work Projects Administration. We all recall the investigation by a subcommittee of the House Appropriations Committee, the resultant scandals in the various States of the Union—there is scarcely a State to which some bad odor did not attach—and this all brought about because Members of the Congress and others insisted upon the appointment of unqualified persons, considered only for political reasons and because they would do the bidding of their political leaders and force certified workers—even their families—to submit to partisan dictates.

With the Hatch Act came a change, and it has been a long time, indeed, since I have heard a single charge of political activity in the W. P. A. Frankly, I know the W. P. A. is doing an honest, clean job, and it is my purpose to do what I can to assist in furthering efficiency and integrity in other agencies.

I can see no objection to Members of Congress, or any other elective officer, recommending an efficient man for a job. I do, however, look with disgust and resentment upon those who dismiss efficient men and women because those men and women will not either do their bidding or kick in to a campaign fund. And this feeling, it has been evidenced, is shared by the general public.

I have been in many States of the Union since the Hatch Act was passed. It has given new life and liberty to Government employees. No longer do they have that feeling of sacrificed rights and freedom denied that formerly existed. Nor do they fear an arbitrary and coercive political assessment on their wages, which means deprivation of their families of some of the comforts and necessities of life. This condition, I am sure, will be reflected when the time comes for them to cast their votes, particularly with regard to those who are responsible for bringing about this desirable change.

It is my desire to bring to the attention of the House the status of these amendments in order that those who are interested in their passage may take such steps as they deem necessary. I, for one, propose to do all within my power to pass the amendments to the Hatch Act, which I know to be essential to good government and political decency in this Nation. [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentleman yield? Mr. DEMPSEY. Yes.

Mr. KNUTSON. The distinguished gentleman from New Mexico expresses the opinion that some of the Democrats are apprehensive that if the Hatch bill becomes a law, it will be difficult to raise campaign funds. You still have the Diplomatic Service to put on the block, and there is nothing to stop the President from autographing three or four thousand convention books to be sold at \$1,000 apiece.



Mr. DEMPSEY. I understood that the gentleman was going to ask me a question, not make a speech.

Mr. KNUTSON. The gentleman's party has so many ways of raising money that I marvel at his modesty.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. CREAL. I notice that the distinguished Senator from New Mexico [Mr. HATCH] has further legislation in mind in which he says that he will propose that the Federal Government appropriate money to the two major parties for the campaign, and prohibit all sorts of contributions. I presume, since the gentleman is in touch with his Senator, that he knows that this campaign contribution by the Government would be proportioned upon the basis of the last Presidential vote between the two parties?

Mr. DEMPSEY. Let me say to the gentleman that one job at a time is quite sufficient for me, and before I go into another phase of amending the Hatch Act, I should like first to dispose of that bill which is now in the Judiciary Committee.

Mr. CREAL. But if we knew that this was coming, it would somewhat clear the atmosphere in respect to it.

Mr. DEMPSEY. I do not know that it is coming.

Mr. CREAL. Well, the press has given it out.

Mr. DEMPSEY. The gentleman will have to consult Senator HATCH about that.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. SHEPPARD. Mr. Chairman, I yield the gentleman 3 minutes more.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. FISH. I am glad to see the gentleman is standing for clean government. The gentleman also said in his remarks that he was opposed to the highjacking of Government officials, and making them contribute to campaign funds.

Mr. DEMPSEY. I am now and always have been.

Mr. FISH. I am in thorough accord with the gentleman, as I am in many other matters.

Mr. DEMPSEY. I thank the gentleman.

Mr. FISH. Would the gentleman accept an amendment to the Hatch bill that hereafter would prohibit Government employees from being highjacked to make contributions to future memorial libraries?

Mr. DEMPSEY. Oh, I don't know that Federal employees have been hijacked for that particular purpose.

Mr. FISH. They have been merely assessed?

Mr. DEMPSEY. I don't know that they have been assessed. I think they contributed voluntarily. I think that was a worthy project.

Mr. FISH. And I have just learned now that they will be free of income tax on that account.

Mr. DEMPSEY. I would not know anything about that.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. RANDOLPH. As a sponsor of the bill in the House, would the gentleman be able to say whether in his opinion, when it come to the floor of the House from the Judiciary Committee, it will pass this body?

Mr. DEMPSEY. I am advised by a great many Members on my side of the aisle that it will. Many Members who voted against the original act are in favor of the amendments now.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. HOUSTON. I want to say to the gentleman from New Mexico that I am one Member who is very much in favor of the proposed amendments. I think that unless the Judiciary Committee reports them out within a reasonable length of time the gentleman from New Mexico would be justified in filing a discharge petition on the Speaker's desk, and I would be glad to sign the petition.

Mr. DEMPSEY. I thank the gentleman very much.

Mr. Chairman, I yield back the balance of my time.

Mr. KEEFE. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I am fortunate this afternoon in having chosen this occasion to speak because there are a lot of Members here waiting to speak. If it were not for that, I doubt if anybody would be here. [Laughter.]

On the bill now before the Committee for consideration there cannot be very much debate. On several features of it I think we are all agreed. For one, we all agree that the C. C. C. camps perform and have been performing very useful services—that they have proven the best thing that could have been done at the time. I think we are all agreed that aid to the blind and crippled is a good thing. We all agree in the health-service program. There seems to be only one subject involved on which there is great agitation in this country. There is a division of opinion as to whether our social security for the aged has been anything other than a mere dole handed out to the aged. It is my firm opinion from my experience in the Western States that if we had made no provision for the aged at all under social security they would have fared just as well under general relief as they have under this program. I think this program is wrong.

There is one disadvantage that we have as Republicans in the coming campaign—and I suppose I am a candidate again on the Republican ticket, so far as I know—we have no program at all. The Democrats at least have had a program—one they have put through. I have not seen anything yet emanate from the Republican Party that shows the least sign of having any program of security for the aged, and I think that is going to be an issue in this campaign. I do not want you to understand that just because I believe in the Townsend plan that that is the only plan that could be put through Congress, but I do believe in the plan and I do not see where anybody can say anything against it in this House—at least, I do not believe it is entitled to very much weight if they do because we have tried everything else. You have sidetracked the Townsend plan and put through every variety of plan conceivable. The result is that we are just as bad off as, if not worse than, we ever were before. Why should anybody object to trying a new thing? Let me tell you about it. In substance all it amounts to is a proposal to levy a tax on gross incomes above \$3,000. Those earning under \$3,000 would not be touched on the theory that the real basis of taxation is as laid down by every economist that ever discussed the subject—that people should pay taxes according to their ability to pay. If I have an income of \$10,000, which I have as a Member of Congress, I ought to be willing to pay—and I have to pay it whether I am willing to pay it or not, both here and at home—but that is the test. Those having meager incomes will not have to pay anything.

How are you going to raise the money? The gentleman from Pennsylvania is not here this afternoon to raise that question, but I can tell him how. We are going to raise the money from a 2-percent tax on the gross income of this country in the brackets above \$3,000. In these brackets we find that the total gross income of the United States annually, figured on the present situation, is about \$360,000,000,000. About \$60,000,000,000 of this income belongs to the lower brackets that we are not going to touch at all; so there will be a tax on gross incomes in the amount of \$300,000,000,000. Two percent on that will be \$6,000,000,000. In the United States are some 10,000,000 people over the age of 60 years. On the basis of the best authorities I can trace down, the number does not exceed 10,500,000. Of these, about 8,000,000 will qualify. There are a great many aged people who would not want any assistance at all. I am 60 years of age myself, and I do not think that public opinion would let me file for this additional \$50 a month when I am receiving \$10,000 a year, and there are a great many aged people in this country in the same situation. So, the best estimate that I can give this House is that about 8,000,000 of these will apply for this assistance; and of the \$6,000,000,000 received from a tax on the gross income of \$300,000,000,000, measured in terms of so much a month, will approximate \$51 a month to the aged who can qualify. I am telling you where the money is coming from. The very first argument I now hear is that used the

last time to destroy this bill, and that is, "They said you want \$200 a month." Nobody in this Congress ever said anything about \$200 a month. The bill itself did not set out \$200 a month as the amount to be paid; nobody advocated \$200 a month. If you will read the bill that was under consideration last year, you will discover that that was a maximum; that they were to receive whatever the tax would bring in; and that is the situation again this year.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. Yes; I will yield to anybody on this subject.

Mr. GROSS. I voted for the Townsend bill. Does not the gentleman believe, however, that the Republican Party is going into power next fall and that then much of the need for Federal relief will disappear because of increased business and better conditions in the country?

Mr. BURDICK. There is only one chance in this world of the Republicans getting into power next fall, and that is by their adopting the Townsend plan, or some plan equally as good as a social-security program.

Mr. O'CONNOR and Mr. COLMER rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. BURDICK. I yield to the distinguished gentleman from Montana.

Mr. O'CONNOR. In the bills that have been introduced before the Congress, known as the Townsend bills, there was no minimum fixed at all, was there?

Mr. BURDICK. No.

Mr. O'CONNOR. In other words, it would only pay what the tax would bring in, as the gentleman said?

Mr. BURDICK. That is right.

Mr. O'CONNOR. The State of Indiana has a gross income-tax law, which, as I understand it, is satisfactory to that State. What is the difference in principle between a gross income-tax law and the Townsend plan, except as to the allocation of the funds derived from the tax, namely, to be paid to the elderly people and that the amount paid would be required to be spent and put in circulation?

Mr. BURDICK. That is a good question and it involves another one. I will try to answer them both together.

Mr. RANDOLPH. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I want the gentleman to tell the story that he told me the other day about what William Jennings Bryan said to a certain audience where the Republican and Democratic Parties were at issue.

Mr. BURDICK. This is a most unusual request and I doubt if the story will be quite applicable to this debate. I cannot, however, resist the request since the gentleman from West Virginia, JENNINGS RANDOLPH, was named by the Great Commoner and has in a marked degree emulated in this Congress the wisdom, ability, and statesmanship of this great Democrat and American. If the Democratic side will yield me 2 additional minutes I shall be glad to tell the story.

Mr. SHEPPARD. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BURDICK. I will try to tell this story in 2 minutes.

When Mr. Bryan came through Williston where I reside, in the very western section of North Dakota, he stopped there to make a speech. I was asked as a Republican if I would consent to introduce Mr. Bryan to the people. I said I would be delighted, because he was one of the great men of the country. I did not look upon his democracy or the party he was affiliated with in derogation of his standing as one of the great, outstanding leaders of his time. I introduced him. Of course, the audience assembled there were mostly Republicans and he said in substance something like this: "Ladies and gentlemen and friends: I am on my way to the Democratic convention at San Francisco. I do not know what the Democrats are going to do. I have been a long time on the front firing line and I have come to understand that it does not make much difference which party name you have, it is really what you stand for that counts. Now, I

can prove by every Republican that when the Democrats are in power the Democrats are incompetent."

A great cheer went up from the Republican audience. Then he continued and said, "And when the Republicans are in power, no proof is necessary." [Laughter and applause.]

There is some argument I hear around the cloakroom here that the Townsend people have receded from the program last year of taxing upon the various elements that go to make up a gross income. Last year it was a transaction tax, and, as the gentleman from Montana has suggested, economically there is no difference between a tax on the various items that go to make up the gross and a straight tax upon the gross income, because the gross is the measure of all transactions that enter into it; so fundamentally there is no difference at all.

Mr. HOUSTON. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kansas.

Mr. HOUSTON. Is not this similar to the proposed tax in the District of Columbia which they are about to bring in here?

Mr. BURDICK. I cannot answer that because I am not familiar with that subject.

Mr. O'CONNOR. If the Government of the United States were to adopt that system of taxation to take care of the aged people, it would simply be following along the same lines that the people of Indiana have followed to meet the expenses of running the government of the State of Indiana.

Mr. BURDICK. Yes; the gentleman is correct. May I say further that all the charges that the Townsend people have receded from the first stand they made is not warranted by the evidence, because there is no receding whatever. The amount is the same. The tax is the same.

Mr. O'CONNOR. May I say to the gentleman that the time is coming when the United States Government has got to come to that method of taxation to take care of the aged people of this country and it might as well do so now, and I am in favor of immediate action on the Townsend plan and I favor it and will support it.

Mr. BURDICK. You are right, Mr. Chairman, let us consider this situation of the old people getting \$51 a month. There is not a man in the House who would object to that if it can be done. It should be paid as a matter of principle from those most able to pay. We can agree on that. Now, what is the situation? We are operating under the present social-security program and under it you have made paupers out of everybody who takes advantage of that law. I have in my office at least 500 examples of how the aged are treated in my State. Here is an old couple struggling along. They have a little home not worth over three or four hundred dollars. They have no income. They are old. The State and the Federal Government together are the measure of what they are going to get. The law we passed provided that the Federal funds must be matched by State funds. The Government is matching what my State that has had 9 years of total drought and grasshoppers can put up. The sum total of all we are paying the aged in North Dakota ranges all the way from \$8 a month to \$17 a month. But before they can get a nickel of this money something has to be done, and I want you gentlemen, the Democratic organization particularly that is responsible for the present program, to realize this. Before they can get a nickel they must deed this little old home worth three or four hundred dollars to the administration of the State. In other words, under the program we are now operating in America there is not an aged person who can get 1 cent unless they prove themselves to be abject paupers. Is that what you want or do you desire something different? Maybe we can pay \$51, \$52, or \$53 under the Townsend plan. We hope it will be \$200 a month. At least this is true—as business revives under the operation of the Townsend Act, the gross income will increase. Some who have incomes less than \$3,000 now will receive more than \$3,000. As the incomes increase the proceeds of the tax will increase and larger payments will follow.



Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kentucky.

Mr. CREAL. Is not the matter of conveying the property wholly a State matter?

Mr. BURDICK. No. The regulations of the Social Security Board here in Washington determine that situation entirely.

Mr. CREAL. A number of States have repealed the laws requiring the conveyance of property to the State under those conditions. My State is one of them, and took this action 2 months ago. I understand the States have that authority, but if they do not require the conveyance of the property it is not compulsory that the property be conveyed.

Mr. BURDICK. I will give the gentleman another example of the same thing. We have never passed an act of Congress requiring a farmer to give security on his old seed loans before we would give him seed loans for the coming year, yet the administration down there demands such security. While we appeal to them, "Let this fellow go another year, because you are going to keep him off relief if you do; don't sew him up so he cannot operate," the fact remains the farmers are required to give mortgages covering past seed loans. You can pass all the laws you want to, but if those who administer the laws are given power to make regulations and interpret the law in the light of these regulations, they can and do actually circumvent the law itself.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Montana.

Mr. O'CONNOR. The gentleman is certainly to be congratulated on the splendid speech he is making before the Members of the House. The gentleman is pointing out the necessity for the bill he has mentioned. Yesterday morning the gentleman and I sat on a committee and heard testimony to the effect that aged Indians in this country, whose good land the Government of the United States has taken away from them by various methods, are actually living on dog meat with no other kind of food, and living in tents during winter months. This is the way we are permitting many of the old people who are our wards to live, and we refuse to provide for them. At the same time we are extending assistance to the distressed in other countries. We should at least, in addition, look after our own.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I yield 3 additional minutes to the gentleman from North Dakota.

Mr. THILL. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Wisconsin.

Mr. THILL. I did not listen to the gentleman's fine address in its entirety, but can the gentleman tell me just how much revenue this bill would produce and how much it would give to each aged individual?

Mr. BURDICK. It would produce about \$6,000,000,000 of revenue, and this sum divided among those who will participate will amount to about \$51 per month.

Mr. THILL. How many people does the gentleman expect will participate?

Mr. BURDICK. A little over 8,000,000.

Mr. THILL. I am very sympathetic with the end the gentleman is trying to attain.

Mr. BURDICK. I know the gentleman is sympathetic, and I believe he will vote for the bill.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Wisconsin.

Mr. KEEFE. In connection with the statement of the gentleman it may be well to point out that the State of Wisconsin for a number of years has collected a surtax upon incomes in order to provide the State's share of the pensions provided for teachers. The teachers make a contribution, it is true, but in order to provide the State's share of the pension fund for teachers they have resorted to a surtax on incomes.

Mr. BURDICK. I thank the gentleman for his contribution.

Mr. KEEFE. I thought it might indicate that there is perhaps nothing new in the application of a tax on incomes. In one case the tax is on net income and in the other case, as in the bill proposed by the gentleman, the tax is on the gross income.

Mr. BURDICK. The gentleman is correct.

The only thing we are trying to do is take care of these old people. If in taking care of them we can at the same time help all those who are not 60 years of age, if we can help those who are 40 or 30 or 15, I say it is worth trying.

Mr. KEEFE. If the gentleman will yield further, may I call the attention of the gentleman, in answer to the remark of the gentleman from Kentucky [Mr. CREAL], to the fact that the social-security law effective July 1, 1941, provides that each State plan must provide that the State agency shall in determining need take into consideration any income and resources of an individual claiming old-age assistance. Therefore, the question of need is determined by the ownership of property.

Mr. BURDICK. I appreciate your statement. Our present system, under the Social Security Act, of taking care of the aged is a disgrace to this Republic. The Townsend bill will finance itself, and if you want to stop reaching into the Public Treasury to fish out pitiable doles for the fathers and mothers of America, here is your chance to do it. Let us put this assistance on the high plane it deserves, and thus care for the aged, provide opportunities for the young and the forgotten class (those between 45 and 60), revive business everywhere in this Nation, and write finis to the depression. [Applause.]

[Here the gavel fell.]

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Chairman, on this occasion I propose to discuss the answer to the unsolved farm problem.

I am thinking now of the people I represent in the Seventh Oklahoma District. I am thinking of the people of the Nation, and I am thinking of their welfare. I am fully aware of the fact that the farmers of my district, with all the help they have been given, with all of the appropriations, with all of the expenditures of money, and with all of the vast efforts that have been made in their behalf, my farmers and the farmers of the Nation are receiving little more than one-half of cost of production for their products and less than three-fourths of parity prices.

Since I was first elected to the Seventy-fourth Congress in the fall of 1934 I have introduced and reintroduced legislation which would assure the farmers market prices for their products consumed in the United States of not less than the cost of production. Early in the Seventy-sixth Congress 15 of my colleagues from 14 agricultural States on either side of the aisle and 18 Senators joined me in introducing this important legislation. I can say without fear of contradiction that this legislation has the active support of the great majority of the real farmers of my district and I dare say that of a majority of the farmers of the Nation. It has had the active support of the independent national farm organizations and their leaders.

We have two new situations today, both of which are important and either of which is a peril to the farmers of my district and of the Nation.

The first of these new situations is the growing reluctance on the part of the Congress to make huge annual appropriations for so-called parity payments. We are all painfully aware of that fact. If we take a realistic view of this we must conclude that the day is approaching fast, if not already here, when the farmers cannot depend upon the Congress to make these huge appropriations particularly affecting parity payments and crop control under title III of the Agricultural Adjustment Act.

The second and most dangerous of these new situations is the fact that the war in Europe is certain to end some day—it may be soon—or that day may be far away. It may be within 3 months or 3 years. It may be within 6 months or 6 years. But we know with certainty that each day brings us 1 day closer to the end of the European war. Under our present system the end of the European war will bring a post-war deflation. A deflation that hits farm prices first. Up to this day we have not provided the farmers with worthwhile safeguards against that day of post-war deflation and collapsing farm prices.

I am sure that every Member of this House knows well the history of deflation following the first World War. The bitter experience of that depression burned deep into the hearts and minds of the farming class. Their holdings and homes were either immediately swept away from them or were so severely devalued that they had to give them up and look for others and a new kind of employment within short periods. That deflation was the staggering blow to agriculture, for farm products were practically without value, land had no salable value, and thousands of farm communities were disintegrated. We can prevent a recurrence of the worst features of another post-war deflation if we will only set ourselves to the task of enacting the principles set out in H. R. 2371 into law. We know that when farm prices collapse the little-business man at the country crossroads suffers a decline in business, industrial production slows down, unemployment increases, business stagnation follows, and national income rapidly declines. We are not prepared financially or otherwise to deal with this peril when it comes, but we are intellectually prepared to prevent it.

It is the duty of Congress, it is the duty of this Congress, to enact into law an honest answer to the unsolved farm problem. In my judgment it is the duty of the House Committee on Agriculture to cooperate with the House and report a bill which will put a legal floor under farm prices consumed in the domestic market and to protect our domestic market price and domestic market from the unnecessary invasion of foreign competing agricultural products. I want to speak more particularly about the farm bill which I have introduced. It is H. R. 2371. I have spoken to you about this bill many times on this floor. I have argued and debated this bill on the floor. I have fought and defended it before the House and Senate Committees on Agriculture when extensive hearings were being held before those committees a year ago. My bill is safe for the farmer because it puts a legal floor under farm market prices consumed in the domestic market. It is safe for the Treasury, because it requires no huge appropriations or subsidy payments to the farmer. It is safe for labor because it gives them assurance of employment opportunities. It is safe for business, because it gives business an opportunity to sell an additional \$5,000,000,000 worth of goods to our 6,800,000 farmers. It is safe for the 130,000,000 people of the United States, because it assures all of us of prosperity based upon agricultural prosperity.

Now, let us examine the provisions of this bill; let us see what it will do if enacted into law:

First. It would aid and protect the producers of 50 of the 78 agricultural products produced by the farmers of this Nation.

Second. It would aid and protect 98 percent of the value of our total agricultural production.

Third. It would place a legal floor under the market price of these 50 agricultural products consumed in the domestic market.

Fourth. It would assure farmers minimum market prices for the products we consume here in the United States.

Fifth. It would give farmers the world price on the percentage of their production in excess of domestic requirements.

Sixth. It would make agricultural products gilt-edged security for loans, public or private, at nearly 100 percent of the minimum price.

Seventh. It would prevent the importation of competitive agricultural products.

Eighth. It would give our farmers 100 percent of our domestic market.

Ninth. It would protect our domestic market and domestic price level against foreign competitive imports.

Tenth. It would repeal crop control or title III of the Triple A but would leave undisturbed the soil-conservation part of the act, commodity loans, and crop insurance.

Eleventh. It would eliminate the necessity of annual appropriations from the Treasury.

Twelfth. It would provide an annual cash income from marketing to the farmers of the United States of about

twelve to twelve and a half billion dollars, and would raise the national income to about \$85,000,000,000.

Thirteenth. It would eliminate Government control and operation of the farmer and his farm and substitute Government aid and protection of the farmer's market price, his income, and his domestic market.

Fourteenth. It would be self-financing, self-maintaining, without appropriations or subsidies or processing taxes by making agricultural products sell for not less than their actual worth in the domestic market.

Fifteenth. It would stabilize agricultural prosperity—the base of our economic pyramid.

Last night I am sure some of you heard Mr. Stoddard in the caucus room of the old House Office Building discuss Germany from inside the German boundary lines. It was an informative address. He made the statement there that the German Government advises every farmer in that empire, before the farmer even prepares his ground for seeding and before any kind of crops are planted, just exactly what the price is going to be in Germany during that year for the entire farm products of his farm and all other farms in Germany. People know what they are going to get. The German Government pays them that price.

Now, I am not a totalitarian by any means. I do not believe in that philosophy. I do not believe in any other philosophy than that American philosophy under which we ought to let this Nation grow and prosper.

Year before last, in Italy, Mussolini made an agreement with the people of that country that if they would plant so many acres of wheat that he, the people and the Government of Italy, would pay the farmers \$2.12 a bushel for it in American money. They planted it, and they got that much in American money for their wheat, while our farmers here in the United States were forced under our kind of agricultural legislation to take from 40 cents to 60 cents a bushel for their wheat.

Mr. MUNDT rose.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I yield 2 minutes more to the gentleman from Oklahoma so he may answer the questions of the gentleman from South Dakota.

Mr. MASSINGALE. I shall not agree to answer them, but I agree to try to answer them.

Mr. MUNDT. I am very much interested in the remarks of the gentleman from Oklahoma because I have followed his valiant fight for a just farm program for a long while. I just want to add by way of emphasis that it is true, is it not, that the present farm program, if it were working 100 percent successfully, would not give more than 75 percent parity to the American farmer.

Mr. MASSINGALE. The gentleman is exactly correct and the law itself does not begin to provide parity payments unless the farm prices are below 75 percent of parity.

Mr. MUNDT. The law does not operate 100 percent, and if it did it would still give the farmer only 75 percent of parity, while the gentleman's bill soundly and logically assumes that the farmer must have 100 percent of parity. So that even if the farm program were to operate permanently and successfully, eventually you would bankrupt every farmer in America because if he gets 25 percent less than parity every year, he is bound to go broke.

Mr. MASSINGALE. I think that is correct and I will further state to the gentleman and to my friend, who I know is sincerely interested in this program, that we might just as well make up our minds to give the farmers of America an opportunity to make a living.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I gladly yield to the gentleman from Montana.

Mr. O'CONNOR. The House owes the gentleman a vote of thanks for his splendid and convincing argument in support of the cost-of-production bill, and I sincerely hope the time will come when this House and the Senate of the United States will follow out the advice of the gentleman from Oklahoma and pass the cost-of-production bill and solve perma-



nently the problem of the American farmer which will never be solved until such a bill is passed.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield to the gentleman.

Mr. GROSS. Does the gentleman subscribe to the policy of this administration of agricultural regimentation as now put on by Wallace?

Mr. MASSINGALE. I think if the gentleman had ever heard me open my mouth on it, he would not have asked that question.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. MASSINGALE. I yield to the gentleman from Kansas.

Mr. HOUSTON. I want to congratulate the gentleman from Oklahoma for coming in here and giving us an explanation of this bill that he has proposed. I am 100 percent for it, as are most of the Members of the House. I would like to know why the Committee on Agriculture does not conduct hearings on this bill and report it out and bring it up on the floor here so we may pass it.

Mr. MASSINGALE. The Committee on Agriculture did not pass the bill out because of protests filed against the bill by officials of the Farmers' Union who stated that the farmers did not want the bill, and the bill is now pending in the House Committee on Agriculture. In order to get the bill from before the committee and to the House for consideration I have filed petition No. 5. This petition now has about 120 signatures on it. I trust that every Member who has not signed this petition and who wants enacted into law a legislative program of some kind for the farmer will sign it.

The enactment of my bill into law would give the farmers of this Nation an annual cash income of about \$5,000,000,000 more than the farmers received in cash farm income in 1939. This additional \$5,000,000,000 in income would increase their own consumption of food and fiber, and it would increase the farmers' consumption of industrial products, which increase in consumption would necessitate an immediate increase in the employment of labor. I dare say that it would produce an immediate reemployment of idle men and women in private industry of not less than four and one-half million workers at American wages. This, my friends, is a sincere approach to a solution of the unsolved farm problem. This is also an approach toward solving the unsolved unemployment problem. I believe the passage of this bill will aid us in finding a market within the United States for the products of industry that is at least five times greater than the elusive and vanishing market which our industrialists are seeking to find abroad. If we will trade wisely with prosperous people among ourselves, we will have the employment, the goods, the money, and the prosperity. We can then trade with the world, not as dependents, but as independents.

My bill, H. R. 2371, is in perfect harmony with the historical policy of the United States, it is in harmony with the Constitution, it is in harmony with our democratic principles and our republican form of government, it is in harmony with the principles enacted into law by this Government to aid and protect others of our economic groups since the beginning of the Government. It has been the policy followed by the Government from that day to this.

There are 23 valid laws on the statute books designed to help our several economic groups. These 23 laws have been enacted by the Congress. Each of these 23 acts of Congress authorizes and directs certain Federal agencies to fix by regulation prices, rates, wages, and services. This covers the field of business, industry, transportation, communication, public service, and the wages and hours of labor.

Congress has fixed the administration of these acts and vested the administrators of them with regulatory powers to fix prices, rates, wages, and services, with commissions, boards, bureaus, departments of government surrounding this very Capitol on every side; and for your information let me just name a few of them. There is the Commissioner of Indian Affairs, the Secretary of War, the Maritime Commission, the President, the Interstate Commerce Commission, the Federal Power Commission, the Secretary of Agriculture, the Tennessee Valley Authority, the Federal Communications Commis-

sion, the Security and Exchange Commission, the Secretary of Labor, the National Bituminous Coal Commission, the Tariff Commission, and the Administrator of Wage and Hour Division. These are just a few of the many. This list does not include the governmental powers to fix interest rates or insurance rates, or the price of gold, or the value of money, or the Federal Trade Commission, or many other agencies and institutions of this Government which, directly or indirectly, are engaged under authority of law to regulate prices and enforce fair trade practices among and between the citizens of the United States. But the laws which I have named for you, in principle and application, furnish complete authority for all that is proposed to be done under my bill H. R. 2371. We are at long last proposing now to come to the aid of the farmers with the historical aid of Federal law, when we should have come first to the farmers' aid. It is the business of the Government and it is the duty of the Government to protect the weak against the strong. We have in times past been aiding the strong against the weak. Now let us fulfill our duty to the farmers; let the House Agriculture Committee report out the bill. The Senate Committee on Agriculture and Forestry unanimously reported this cost-of-production bill April 7, 1939, and made this general comment:

#### GENERAL COMMENT

This bill is a protection to agriculture in general. It may work some hardship on the large producer, but for the average producer it will do the job; and if agriculture is put on the proper base, the large producer will adjust his production to the law of supply and demand, and agricultural labor will be taken care of in increased wages and compensation. Purchasing power will put farm labor on an equitable basis, and the farmer will be able to pay his farm labor adequate wages.

This is the best proposal yet offered to solve the farm problem. Our American farmer has sold his crops in the open market at world prices in competition with low-priced labor and very low living standards. Everything the American farmer has bought has had to pay the costs of production plus a profit and protected against outside competition by the tariff laws. In short, the American farmer sells in an open market and buys in a closed market.

It is either this bill or one like it, or free trade, which would have the same effect on the industrial worker, that the present system has on the farmer. The industrial worker sells his product to the American consumer in a protected market and works only part time. He could sell a greater volume and work practically full time if the farmer, too, had a protected market.

This bill is an attempt to equalize conditions.

Your committee recommends S. 570 as a well-thought-out and seasoned legislative attempt to solve the agricultural problem and, by solving it, induce national prosperity. Your committee believes that the American farmer is entitled to the American market at a profit.

Shortly following the Senate report, and on April 19, 1939, while the bill was being heard by the Agricultural Committee of the House, there appeared the president of the Farmers' Union of America, the president of the Oklahoma Farmers' Union, and other farmers' union officials and filed their protest and objection to the passage of the cost-of-production bill. The result was failure of the House Committee on Agriculture to report out the bill H. R. 2371. Bear in mind that S. 570 is identical with H. R. 2371.

Now, let us pass an honest farm bill which will raise the domestic prices of farm products to at least 100 percent of parity.

If this bill were enacted into law, we would raise the domestic-market price of cotton per pound to 17 or 18 cents, the domestic-market price of wheat per bushel to about \$1.20, corn around 85 cents per bushel, hogs to \$9.50 to \$10 per hundredweight, butterfat to around 38 to 40 cents per pound, wool to about 25 cents per pound, lambs to about \$8 per 100 pounds, and so on down the list of 45 or 50 agricultural products in every section of the United States and in every State in the Union.

There is no use of us begging the question any longer. There is no use of us dodging the real issue. We have 150 years of precedent, and for 150 years we, as a government, have been engaged in applying this same principle of Federal legislation to aid and protect practically every other economic group in our society; let us now apply this same principle of Federal legislation to aid and protect the market price of our farmers throughout this Nation and give our farmers 100 percent of cost of production; certainly not less

than parity prices, if you please. Let us enact this law in this session of Congress. Let us protect the farmers of our Nation against the peril of inadequate appropriations and the perils of a postwar deflation, which will come upon us like a thief in the night unless we enact into law now an honest answer to the unsolved farm problem. H. R. 2371 is the honest basic answer to this problem.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I, too, come from a farm district and I believe I belong to all of the great farm corporations, the National Grange, the Farm Bureau—

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. FISH. Oh, I would like to at least finish my sentence before I am asked to yield. I just stated that I come from a farm district, and although I have represented a farm district for many years, both in the legislature at Albany and here at Washington, I have never yet claimed to be a dirt farmer, like my great constituent, who now resides in the White House, the President of the United States.

Every election year my constituent suddenly discovers the compelling urge to be a dirt farmer and wants everyone to know it. He is as much a dirt farmer as I am a Communist. However, because of the failure of the New Deal to even approach solving the farm problem and carry out their solemn promises, and because of the complete failure and collapse of the New Deal farm program as agricultural conditions now exist in America, I am 100 percent in favor of the bill proposed by the gentleman from Oklahoma [Mr. MASSINGALE]. However, I am not so sure that I would vote for such a bill next January, because then we will have a Republican President and he will automatically restore confidence, employment, and purchasing power throughout the United States so that our wage earners in the East can buy farm products at reasonable prices from the farmers of the West and restore prosperity among the farmers.

There will be no prosperity in America until there is prosperity on the farms, and there will be no prosperity on the farms until there is restoration of buying power on the part of the wage earners of the Nation. Furthermore, there will be no prosperity in America until the farmer gets a fair price for his products and has a purchasing power of his own. That is what the gentleman from Oklahoma wants and so do I. But if these deplorable farm conditions continue, and as a result of this program, of scarcity and destruction, of plowing under of crops, of wheat, cotton, and corn, and of birth control of pigs, of which I am sure the gentleman from Oklahoma is not in favor, then I am sure the best thing the administration can do is to accept the bill proposed by the gentleman from Oklahoma, and I shall be glad to support it.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. SCHAFER of Wisconsin. Where did the New Deal get their idea of birth control for the pigs? Upon reading a pamphlet published by Mr. James Cromwell, the New Deal Minister to Canada and the husband of the richest woman in America, I found that he had a program to solve all of the political and economic ills of America which includes the repeal of the income tax and birth control as applied to human beings.

Mr. FISH. And he also wants to control those of us who want to keep us out of war, does he not?

Mr. SCHAFER of Wisconsin. Yes; and he also believes that Uncle Sam should lend money to everyone who wants to borrow money, and that Uncle Sam, for the privilege of making the loans, should pay the borrower 6-percent interest. I think he ought to be taken care of by Uncle Sam in the United States instead of taking care of Uncle Sam's interests in Canada.

Mr. FISH. Can the gentleman tell us what he wants to do to the isolationists and Members of Congress who believe in maintaining American neutrality and keeping out of foreign wars?

Mr. MASSINGALE. Mr. Chairman, before the gentleman answers that, will the gentleman from New York yield to me?

Mr. FISH. With pleasure.

Mr. MASSINGALE. I just want to answer the gentleman from Wisconsin [Mr. SCHAFER] about where the Democrats got this idea. I thought he knew that we stole it out of the Republican platform and put it into operation. That is how we got it first.

Mr. FISH. Which—the program of scarcity?

Mr. MASSINGALE. Yes. We got it from the Republicans.

Mr. FISH. Well, you have stolen a lot from the Republican platforms but not any program of scarcity. We used to be the party of what we called reasonable centralized government, and you Jeffersonian Democrats used to believe in State rights, but the New Deal has gone far beyond us as far as reasonable centralized government is concerned in regimentation, bureaucracy, collectivism, and State socialism. We are actually now much more closely identified with the Jeffersonian theory of State rights than the so-called Democratic Party.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I have been given 15 minutes, and I would like to know if I can get any more time, because I would like to have 5 minutes to talk on my own topic, which I want to discuss briefly this afternoon.

Mr. KEEFE. I suggest that the gentleman better begin to talk on his own topic.

Mr. HOOK. I am wondering what the gentleman thought about the program set forth by Mr. Glenn Frank, where he seems to adopt most of the New Deal measures, but says that they are not properly administered.

Mr. FISH. I do not know that he adopted most of the New Deal measures at all. I know that as far as foreign affairs is concerned he is entirely opposed to the internationalism of the New Deal, and I think that is the most important issue at the present time.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. COLMER. While we are in this facetious mood I want to take my friend to task for his party's failure to cooperate with the gentleman from Oklahoma if the fact be that his bill would be enacted into law when the Republican President came into power.

Mr. FISH. No; I did not say that his bill would be enacted into law if the Republicans came into power. I said I hoped that when the Republicans came into power they would restore confidence and buying power that actually would solve the farm problem. Everyone interested in the subject knows that farm prices are too low, that farm prices are at least 50 percent lower than they were under the Republican administration from 1920 to 1930.

Mr. HOUSTON. Does the gentleman think the farmers can last that long?

Mr. FISH. No; not under the New Deal, I do not think they can wait another 6 months. And that is why I said in the beginning that I would like to get a vote right now, right today on the gentleman's bill.

Several Members rose.

The CHAIRMAN. The Chair has been very lenient this afternoon in not requiring gentlemen who wished to interrogate a speaker first to address the Chair.

Mr. FISH. I thank the Chair and I hope the Chair will protect me in my effort to make a speech.

The CHAIRMAN. The Chair reminds the Members that those desiring to interrogate the speaker must first address the Chair and secure recognition.

Mr. MASSINGALE. Mr. Chairman, may I be recognized by the Chair?

Mr. FISH. Mr. Chairman, the Members on the Democratic side are just anxious for enlightenment.

The CHAIRMAN. Does the gentleman yield, and if so, to whom?

Mr. FISH. To the gentleman who is the author of the bill. Then I must proceed.



Mr. MASSINGALE. If the gentleman would just assist us, if he is so anxious to have this bill become a law and thinks that the farmers are in peril to the extent that they cannot last over 6 months under the New Deal—I think he is nearly correct about it, but I want to ask the gentleman why he does not get busy and sign petition No. 5.

Mr. FISH. I will sign it gladly. I will sign it today.

Mr. WHITE of Idaho. Mr. Chairman—

Mr. FISH. I hope the gentleman will not interrupt.

Mr. WHITE of Idaho. I am addressing the Chair. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from New York yield to the gentleman from Idaho?

Mr. FISH. Yes; for one last question.

Mr. WHITE of Idaho. I would like to ask the gentleman if he will not now address himself to the subject matter of the bill, discuss the issue before the House, the appropriation for the N. Y. A. and the C. C. C., rather than bring up questions entirely irrelevant to this bill.

Mr. FISH. How about the silver problem?

Mr. WHITE of Idaho. The gentleman will hear more of that in the future.

Mr. FISH. We are still being crucified on the cross of foreign silver. Perhaps it would be a good subject to discuss.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. FISH. For the last time.

Mr. BROWN of Georgia. The gentleman stated that he was a farmer. Am I correct in assuming from his remarks that he is a cropper of the President?

Mr. FISH. No; the greatest crop the New Deal and the President raise is propaganda. They excel at that, and that is the most expensive crop in America for the taxpayers.

Seriously, the reason the Members of Congress are not signing the Massingale petition is not because they do not believe in the bill but because they know that the administration is opposed to it and that the administration is in control, and therefore they feel it is more or less an academic problem.

I see one Republican Member has just signed the petition. There goes one vote for it. I will try to persuade others. I am appealing to them to sign it to show that we Republicans are for it under a Democratic administration.

Mr. MASSINGALE rose.

Mr. FISH. No; I cannot yield further.

Mr. Chairman, no one questions the intentions of the President or of the New Deal in trying to solve the farm problem by increasing prices. They depreciated the currency, bought huge quantities of gold and silver, with the thought that it would increase farm prices. Their intentions were good, we are not questioning them, but farmers cannot make a living on good intentions. We are questioning the price of agricultural products today, and what it has been for the last 6 months, and 6 years, compared to what it was under Republican administration, not what it was in 1932, when there was an economic collapse and the banks closed, but for 10 years, from 1921 to 1931. The Democrats themselves agree that the farm prices of 1926 are what they want to get back to as fair farm prices. But you have failed to do it after 7 lean years of agricultural scarcity and destruction.

I think the Democratic New Deal farm program is one of the greatest failures of the New Deal. The gentleman has a solution, and it is a practical solution, that of setting up a two-price system.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. FISH. No; I cannot yield.

Mr. MASSINGALE. I just want to pay the gentleman a compliment.

Mr. FISH. I know that, but the gentleman has done that before. He has nominated me for Secretary of State and for everything else, but I cannot accept under a Democratic administration.

The gentleman has brought up his bill which provides for a two-price system. He says, "Let the farmers grow all they

want, and we will guarantee a certain price, maybe \$1.20 for wheat, 80 cents for corn, and 12 or 15 cents for cotton." These are approximate parity prices. Not exactly but approximately. Then he says, "We will have no restrictions. Grow all you want, and we will give you these guaranteed prices. If you can get more than that, God bless you, we hope you do, but we will give you those prices for what we consume in our American market."

This ought to appeal to the cotton and wheat growers. He says, "We will sell all the rest of the cotton and wheat abroad. We will not plow it under. We will sell it abroad to regain the world market for those exportable crops, and we will get whatever we can. We may get only 5 cents for cotton, 50 cents for wheat, and so forth. We will bring those hundreds of millions of dollars back to the United States and distribute them among the farmers. We will regain the world market which we have lost under a program of scarcity and will put our people back to work."

You talk about farm prices in this country, and that is one of the worst features of the failure of the New Deal farm program. But you have also lost the world markets. We want to regain those world markets for our wheat, cotton, and other farm products, and bring back that wealth to America.

That is why I am for the gentleman's bill and I wish it could be enacted into law, but it will not be under this administration. But under a Republican administration, if we fail within a year to restore farm prices by restoring purchasing power we ought to take the gentleman's bill and enact it into law. I hope the gentleman will support his own bill introduced under Republican auspices.

Mr. Chairman, I rise here today to call attention to a situation that exists throughout the country but one that particularly affects the city of New York. Merchants from the city and port of New York bought goods from Germany prior to January 1 and they paid for those goods in accordance with the British orders in council issued on November 27, 1939.

Germany has the money, but the goods bought and paid for by our American merchants are being held up by the British in Italy, in Holland, and in Belgium, in Genoa, Rotterdam, and Antwerp. The only losers and the only ones who have been and will be injured are American citizens who paid for the goods but who have not received them. Germany has the money. England cannot harm Germany because the goods have already been paid for, but the British refused to let these goods come over to America. Certificates of origin and interest have been properly filed by our importers showing when they ordered the goods and when they paid for them.

The American people are sympathetic with the British and they are tolerant, but they do not want their own merchants to be robbed and mulcted after they have paid for German goods. They see no justice in withholding their goods in foreign warehouses in neutral nations. They have a right to protest.

They have a right to petition the Congress and the State Department to insist, no matter how sympathetic we may be for the British, that our citizens and our merchants be protected. They have a right to obtain their own merchandise and the commodities they have already paid for and brought out of Germany. I insist that there shall be no more delay. These small merchants who paid five, ten, fifteen, or twenty-five thousand for goods, and cannot get them, are being ruined. They have paid their money, they have lost their merchandise and they cannot get either back. The British authorities keep on giving excuses or try to pass the buck and thereby cause delay after delay, all of which is ruinous to our own American merchants in New York and other cities.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. FISH. Mr. Chairman, it is an outrageous and intolerable situation. The State Department has been created and is paid for by the American people to look after the interests

of our merchants, importers, and citizens, not the interests of the British Government, even though that Government may be in a war for its own existence.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Kansas.

Mr. HOUSTON. Then why does not this Government levy on one of these boats they harbor at one of our docks in order to pay these merchants back? Why does the Government of the United States allow the British Government to come into the United States to recruit as they are doing today all over the United States? They do it, and everybody knows it as well as I do, so I am not saying anything out of order.

Mr. FISH. Of course, some action ought to be taken by the State Department immediately. It should not permit this delay, and if the British Government continues to ignore this unfair situation and let our merchants go bankrupt, then we ought to resort to some form of reprisal if our just demands are not complied with without further delays. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Chairman, a few moments ago, during the discussion I heard the name of the State of Indiana mentioned and referred to our gross-income tax now being used in my State. We are proud to say that a number of States are getting ready to adopt a similar tax law, feeling that it certainly has worked well in the State of Indiana. May I say that the gross-income tax that is today being used in the State of Indiana was brought into being while Paul McNutt was Governor of that State. Here is just one of the many things it has done for us: We were the only State in the Union at that particular time to pay the school teachers and keep our schools operating and paid \$700 a year to each school teacher's salary and the first to suggest old-age pension to be paid from the gross income. So we are mighty proud of the record made in Indiana so far as that law is concerned, with but very little opposition from either business, manufacturing, or labor. They feel it is very equitable and proud of the record of Gov. Paul McNutt made as the Governor of our State; and in the event the President of the United States does not choose to run, I hope the State of Indiana may give to the Nation that outstanding citizen, Paul McNutt. [Applause.]

Now, Mr. Chairman, about 3 weeks ago, Mr. Carl Mullen, president of the Indiana State Federation of Labor; Adolph Fritz, secretary of the Federation of Labor of Indiana; Charles Coombes, business agent of the carpenters' union in Lake county, my district; Ed Stearns, secretary of the carpenters' union of the Gary district; Ed Konkel, officer in the painters' and glaziers' union; Jack Mears, officer of the plumbers' and steamfitters' union of Hammond; and Frank Greenwald, representing the teamsters' and chauffeurs' union, along with others also connected with various unions who are members of the Indiana State Federation of Labor, came to Washington to make a plea for a new public-works program, realizing and appreciating the good work that had been accomplished under the Public Works Administration program, and, of course, each and every one of these men have the interests at heart of the men they represent.

These men represent a total of about 150,000 to 200,000 building-trades men. By that term I mean, of course, carpenters, plumbers, electricians, bricklayers, and all the allied crafts that enter into the picture in the construction business. They are very much worried about the future of their men, and rightly so. Banks are not making any loans on new construction, and, of course, the building-trades men suffer. So, at the suggestion of the president of the State Federation of Labor, which is an affiliate of the American Federation of Labor, I called into my office all the members of the Indiana delegation, both Democrats and Republicans, and these union men explained their situation to the Indiana delegation in Congress, which is that the majority of the men belonging to the various crafts have never applied for aid and intend never to go on relief if it is at all possible to keep from doing so; but

they are being forced and crowded at this particular time to seek some kind of aid unless we get a new P. W. A.

No one can point a finger at any of the activities of the P. W. A. It was my pleasure just recently to introduce a bill similar to the Mead bill introduced in the Senate, with just this exception: That under my bill we undertake to pay the prevailing rate of wage in the particular district in which the construction is taking place, and I have also included schools.

In June 1933, President Roosevelt signed the act passed by the Congress creating the Public Works Administration. That was nearly 7 years ago. Since that time the Public Works Administration has fostered the greatest construction program in the world's history, and itself became the world's largest construction agency.

P. W. A. was charged with two important functions: First, to construct useful and public works in the interest of the general public and along this line P. W. A. has done a magnificent job; second, to increase employment by providing a stimulus to American industry.

Let us look for awhile at the results of the first of these functions—the construction of public works. Since June 1933 to date P. W. A. has made grants of \$1,505,290,288 and repayable loans of \$813,137,665 to aid in the construction of 16,648 non-Federal projects located in all but two of the Nation's counties, as well as in the Territories and possessions. In addition to this there have been 17,820 Federal projects constructed under the direction of various Federal agencies to which P. W. A. allocated \$1,775,542,395. The estimated total construction cost of the more than 34,400 projects is \$5,985,309,535. These figures, which I have just quoted, include 775 non-Federal projects still remaining to be completed authorized by the Congress under the 1938 P. W. A. Act.

I want to call your attention to the fact that while P. W. A. was making grants of more than a billion and a half dollars toward the construction of non-Federal projects, the applicants—that is, cities, towns, counties, States, and other public bodies—were contributing the major portion of the cost of the projects which amounted to \$1,887,682,789. So you see, P. W. A. has enabled the Nation to literally rebuild itself by enabling cities, counties, and States to construct useful and necessary public works which, in the majority of cases, were sadly needed. The visible wealth of the Nation has been increased nearly \$6,000,000,000, and the ownership of nearly \$4,000,000,000 worth of non-Federal projects lies with the public bodies.

For example, P. W. A. has aided in the building of 871 sewage-disposal plants, 1,860 complete waterworks, 118 filtration plants, 227 municipal power plants, 3,060 elementary-school buildings, 2,305 high-school buildings, 1,315 college and university buildings, 105 public libraries, 102 municipal auditoriums and armories, 620 courthouses and city halls, 2,056 hospitals and institutional buildings, 131 social and recreational buildings, 378 bridges and viaducts, as well as highways, streets, grade-crossing eliminations, wharves, piers, docks, vehicular tunnels, and a host of other types. All of these projects and hundreds of others originated not with P. W. A. but with public bodies—cities, towns, counties, and other subdivisions throughout the length and breadth of the land.

From the standpoint of aiding employment P. W. A. has been eminently successful. Hundreds of thousands of men have been employed at construction sites throughout the country for the past 7 years—men who were employed not by the Federal Government or P. W. A. but by private construction. In this way skilled and unskilled workers who have never appeared on relief rolls have been given employment.

Add to this many thousands of architects, engineers, and draftsmen employed by cities, counties, and States in connection with P. W. A. projects. Through the stimulus of \$3,115,149,000 in orders for materials, additional hundreds of thousands of men have been employed by the heavy-goods industries and the spending of pay rolls has aided the consumers' goods industries, which, in turn, have aided employment.

The Bureau of Labor Statistics of the United States Department of Labor has estimated that up to March 1, 1940,



P. W. A. projects have provided at construction sites a total of 2,039,826,000 man-hours of direct employment for which \$1,538,208,820 were paid out in wages. The Bureau has found that every 2 man-hours of work at a construction site, 5 man-hours of employment in industry were necessary to produce, fabricate, and distribute the material going into P. W. A. projects. Applying this formula, it is estimated that P. W. A. has furnished 5,099,565,000 man-hours of indirect labor at the sources of manufacture. But this is for the past 7 years pay rolls resulting from P. W. A. projects have been spent in thousands of communities in nearly every county of the Nation. This has resulted in increased demands for consumers' goods and services, and it has been estimated that an additional 4,079,652,000 man-hours of indirect employment have been created to supply this demand.

I want to also point out that employment at construction sites of P. W. A. projects has been at prevailing wage rates, and with P. W. A.'s system of inspection, the quality of construction has shown by the thousands of P. W. A. projects now in use is, by and large, far superior to any other construction program in the country's history.

The results of the huge P. W. A. program can be divided roughly into two parts—health and education. For a number of years prior to the P. W. A. program there had been a continual decrease in hospital construction resulting in a serious shortage of hospital beds and other facilities. In 1933 the capital outlay for hospitals amounted to only 20 percent of the normal expenditures for this purpose. The accumulated shortage of hospital facilities as well as the need for modernization and the replacement of existing equipment was by the direction of the President given immediate attention by P. W. A. shortly after its organization. As of March 1, 1940, allotments had been made for 743 non-Federal hospital and allied projects involving the construction or improvement of 2,056 buildings at a cost of \$397,253,706. Through the construction of these projects, P. W. A. has been responsible for the addition of approximately 110,000 hospital beds. The greatest need for hospital facilities is in the rural and semiurban sections of the country, and it has been these sections that have benefited chiefly from the hospital program, since the average hospital project has been in an average community of 20,000 population. Many communities in the United States now have hospitals where none existed before, and others have been provided with clinics and medical centers. The 110,000 beds provided by P. W. A. are equivalent to approximately four and a half years of normal expansion of such accommodations.

Another outstanding and important health measure undertaken and carried out by P. W. A. has been the program for the improvement of the Nation's sewage-disposal facilities and sewage-treatment needs.

Stream pollution, long a health menace as well as an economic problem, has been entirely eliminated in hundreds of communities through the efforts of P. W. A. In addition to these corrective measures now in effect, hundreds of other communities entirely lacking such conveniences and sanitation now have complete new sewage-disposal systems and modern treatment plants. Along this line P. W. A. has considered each project as part of the general national plan for the correction of stream pollution, thereby serving not only the urgent needs of a single community but the general welfare of other communities, particularly downstream towns and cities. Allotments have been made for 1,524 sewer projects costing \$468,083,625. Many of these projects are for complete new systems in small towns and communities which had no facilities of this kind prior to the P. W. A. program. Of the total number of sewer projects, there are 871 sewage-disposal plants costing \$327,401,038.

Still another phase of the P. W. A. program affecting the public health has been 2,411 water-system projects costing \$310,393,801. This number includes 1,860 complete waterworks, having an estimated construction cost of \$234,566,000, and the large percentage of these new waterworks are in small communities which heretofore had been dependent

on unreliable and oftentimes insanitary sources for their water supply. It has been estimated that approximately one-fourth of the population of the Nation today are enjoying the benefits of more sanitary water systems constructed by P. W. A.

P. W. A. was and has been the answer to a crying need on a Nation-wide front for adequate housing facilities for the Nation's school children. From the beginning of the Republic public-school construction has never kept pace with the growth of school population. In 1926 the total outlay for schools was \$400,000,000, and in 1932 it had dropped to \$200,000,000, and in 1933, before P. W. A. was put under way, it had dropped to less than \$100,000,000, with indications of almost complete discontinuance in 1934. During the life of P. W. A. approximately \$1,200,000,000 have been spent on the school-construction portion of the building program. Of this amount, the major portion, or approximately \$650,000,000, has been supplied by the communities and the balance through loans and grants by the Federal Government. In the current program school construction alone amounted to \$477,000,000. Towns, cities, and counties were equipped to take advantage of the P. W. A. aid, and the records have proven that their first thought was for more and better schools. As a result, 70 percent of all school construction for the past 6 years has been P. W. A. financed, and 44 percent of all P. W. A. non-Federal projects, or slightly over 7,000, have been for educational buildings.

At the beginning of the P. W. A. program there were approximately 400,000 students who were compelled to attend school only part of the time because of the lack of seating accommodations. Thousands of children were housed in old, unsanitary buildings and portable structures. P. W. A. has been able to eliminate 1,200 one- and two-room buildings of the little "red schoolhouse" type by the construction of 704 consolidated schools. The school-construction program altogether has provided 59,615 classrooms, with facilities for two and a half million pupils. In addition to these facilities there have been constructed approximately 4,300 auditoriums, 3,500 gymnasiums, 1,800 school libraries, 890 cafeterias, and some 12,000 other units, including laboratories, study halls, and science and commercial classrooms.

In addition to the assistance given local communities in the construction of necessary educational facilities, allotments were made to provide educational institutions and facilities for the American Indian, and the school children of Alaska, the Canal Zone, Puerto Rico, and Hawaii have been aided by P. W. A.

The current program, that is, the one authorized by the 1938 act, is rapidly being completed and due to the curtailment of funds the highly efficient and skilled P. W. A. organization has been reduced nearly 80 percent. But emaciated as it is, it could on a few hours' notice spring into action should the occasion arise. With all of the accomplishments of the past 7 years, there is still much to be done along the lines of national health and sanitation, and in my estimation, the Public Works Administration is the one agency that is equipped to carry on the type of work in which they have been engaged for 7 years. Surveys have pointed out that to bring the Nation's hospital-bed supply up to normal demands, it would be necessary to increase the present capacity 160,000 beds. As indicative of the realization for the need for more hospitals I call your attention to the fact that when P. W. A., because of lack of additional funds, returned to public bodies last September more than 5,000 applications, 203 were for hospitals.

While P. W. A. sewer-system construction raised the percentage of the country's population served by adequate sewage disposal facilities from 35 to 54 percent, there are still 46 percent of the Nation's communities inadequately served by these important utilities. In like manner approximately 35 percent of the Nation's population is today dependent upon unsatisfactory sources of water supply.

Senator Mead has introduced into the Senate a bill known as S. 3269, providing \$300,000,000 for the purpose of establishing a revolving fund for the making of loans to public bodies and nonprofit organizations for the construction of

hospitals, water and sewage works, and works for the reduction of pollution in streams, and related facilities necessary or proper to safeguard the health of the people. I have introduced into the House a similar bill known as H. R. 8238, which I hope will receive the serious consideration of this body. My proposal has already been endorsed by the A. F. of L. of Indiana, and also the national body.

We as a Nation are not yet entirely free from the devastating effects of the depression. Industry is still in need of the stimulus provided by the material orders of the P. W. A. program, and hundreds of thousands of the type of workers employed on P. W. A. projects are in need of employment.

It is my earnest conviction that we should continue the job that we began in 1933 and that the Public Works Administration of the Federal Works Agency should again be charged with this task so that the small town, the counties, and States can complete their plans to build necessary and useful public works to take care of the need of their people.

We as a Nation should continue to build. It is the verdict of history that when a nation for any reason stops building, it dies. This was true of ancient civilizations, like Egypt, Babylon, and Tyre. This was also true of ancient Mexico and could easily be true of the United States. Wise leaders have realized that in times of stress the creative instinct of the people should be protected. It is also an axiom of common experience that construction works involving large numbers of skilled and unskilled workmen are among the most useful and efficient expedients that any Government can adopt in seasons of economic distress. The P. W. A. programs have been doing just this and this great work can be continued by the passage of the Schulte-Mead bill, known as the Health Security Act of 1940.

I now appeal to the Members of this body to kindly join in using your influence to help bring the Schulte-Mead bill out on the floor and have it passed this session of Congress, which will mean giving employment to over 1,000,000 building tradesmen throughout the United States, at but very little cost to your Government. I thank you. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. EDWIN A. HALL].

Mr. EDWIN A. HALL. Mr. Chairman, I realize that I start out under very much of a handicap when I attempt to speak on agriculture, because several distinguished gentlemen have pretty well covered that subject this afternoon. I had intended to wait until next week before reviewing the measure I introduced recently, but due to the fact that there is an emergency of no small severity in my own district I take this time to describe briefly the bill, H. R. 8312, otherwise known as the Hall farm bill, which I last month introduced in the House.

1935 and 1936 marked a very serious era for my locality. I live at the confluence of the Susquehanna and Chenango Rivers in up-State New York, where at that time there were floods of a very serious nature, followed some time later by a terrible drought. It is needless to say that the farmers of my locality, some 15,000 strong, have been very seriously affected. I bring this measure before the House for its consideration because I feel that although it is sectional in its provisions there will come a time when every Member of this body from an agricultural district will find that it can be used in his district.

In brief, the measure provides in connection with subsistence crops, namely, hays and fodders, that when any farm area has been decreed an emergency district by the Federal Government the Department of Agriculture shall take certain action. This measure will profit every single section of the country in times of dire stress.

Last summer, as I have mentioned, there occurred one of the most devastating droughts in the history of southern New York and northern Pennsylvania. As a result, there is today a shortage of some 50,000 tons of hay in my district alone, and in the surrounding counties there exists a much larger shortage.

In presenting this measure to the House, I ask that every Member read my bill thoroughly, as I am about to mail each Member a copy of it.

The bill provides, among other things, that the Governor of the States or States in the afflicted area shall at the request of the farm bureaus and agencies, which, of course, will have been urged to do so by the various farmers in the district—and when I use the term "district" I refer not to a congressional district but to the area that is afflicted—call upon the Secretary of Agriculture to come to their aid by providing transportation for hay from surplus areas to the local area affected.

You may say that I have included in my bill provisions which are already included in certain agricultural laws. My reply is that there is no provision that the Government may make crop loans—and by the term "crop" I mean subsistence crops, such as hays and fodders, not grains or commercial feedings of any kind—to farmers in areas where the drought or flood or other act of Nature beyond their control has precipitated itself upon the farm population. Under the Farm Security Administration at the present time a farmer may borrow upon his dairy herds or his farm to obtain hay at the existing prices. May I point out to you that under the present system and under the prevailing rate for a ton of hay in my district farmers are forced to pay from \$18 to \$20 a ton for hay. I know you will agree with me when I say this is economically unsound in every way.

My bill provides that the Secretary of Agriculture be empowered to set a definite price for hay in a certain locality which is afflicted, say \$8 or \$10 a ton, under the existing need, and allow the surplus hay to be shipped in, the Government assuming the transportation charges. This arrangement will be used only in times of dire need, and I need not say that there are plenty of brakes provided which will prevent any area from receiving this special aid unless there has been a thorough investigation of the situation and it is determined that an emergency exists.

Mr. SCHAFFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. EDWIN A. HALL. I gladly yield to the gentleman from Wisconsin.

Mr. SCHAFFER of Wisconsin. Is it not a fact that the Government can obtain a greatly reduced freight rate from land-grant railroads?

Mr. EDWIN A. HALL. That is true to a certain extent, but let me reply to the gentleman that I have conducted extensive research along with my local farm bureaus and I find that there is not enough difference between the prevailing transportation rate and the rate which might be provided to make any material difference, and I can assure the gentleman that we have gone into that subject not only with the Department of Agriculture but with the railroad systems.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN A. HALL. I yield to the gentleman.

Mr. GROSS. I want to make this observation: I have very carefully read the gentleman's bill and I think it has a great deal of merit, much more so than much of the grasshopper appropriation measures we have passed or the moneys appropriated for New England to clean up the storm.

Mr. EDWIN A. HALL. I thank the gentleman, and wish to add that it is in no sense a grab-bag measure. It is based on sound economic and social propositions.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. EDWIN A. HALL. Gladly.

Mr. WHITE of Idaho. The gentleman speaks of the price of hay. What does the gentleman consider to be a fair price?

Mr. EDWIN A. HALL. I consider a nominal and fair price for hay to be about \$10 a ton under existing economic conditions in my particular locality, and I think that is pretty generally accepted throughout the country.

Mr. WHITE of Idaho. To what does the gentleman attribute the high price in his district?

Mr. EDWIN A. HALL. The high price is attributable to just one thing, the fact that there is a serious shortage of hay in our locality and that there has been brought in by hay dealers from outside an inferior grade of hay, and at the same time they have demanded a very high price for it. In the event of the adoption of the policy of my bill there would be a preclusion of any such happening. There would be no



possibility of anything like that which is occurring under the present situation. Incidentally, I may add to the statement that I have made by saying that I have gone into this policy thoroughly with the Department of Agriculture, and although it has not been agreed to in whole, the Department has seen fit—and I do not mean the partisan politicians which might be at the head of various bureaus, but I have talked with experts on the subject—to agree with me that such a policy is necessary to maintain the existing situations in various farm areas.

I will add that in the event the measure is passed, although it cannot be enacted in time to benefit my district, at the same time there will be other agricultural districts which will be literally saved from economic ruin by this policy because it will absolutely prohibit a repetition of the disastrous occasions which have been brought about in my own district this year. There are a great many farmers who are being forced to sell their dairy herds in my district because of the fact that they find it economically unsound to borrow money under the present conditions. You will concur with me that there is little sense in a farmer mortgaging his dairy herd and his farm for an opportunity of borrowing three or four hundred dollars to buy hay to keep his herds throughout the remainder of the winter.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. EDWIN A. HALL. Gladly.

Mr. WHITE of Idaho. Does not the gentleman think that the conditions he describes go deeper than the borrowing of money? Does not the gentleman think that the profiteering of the milk dealers, the huge profits they make, and the profiteering of the people who supply the necessities to the farmers in the way of hay and other feed, enter into the problem, and does he not think that the trouble lies in that direction?

Mr. EDWIN A. HALL. I say to the gentleman that although we have had a serious milk situation in our district and there have been many farmers who have been vitally affected by the low price of milk, at the same time there is just one reason for my presenting the measure at this time and that is because of the dire need which my district or your district or the district of any other agricultural Member or State may suffer in severe drought, flood, or other act of nature, and maybe next summer your district will be just as vitally affected as mine is now.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. EDWIN A. HALL. Gladly.

Mr. SCHAFER of Wisconsin. The gentleman's bill is a two-way bill. It will help the people in the districts of the country where there is a scarcity of hay through an act of God, and at the same time it will help the people in other parts of the country where there is a surplus of hay.

Mr. EDWIN A. HALL. I appreciate the gentleman mentioning that fact. It will do just that. I do not advocate bringing hay a great distance. My proposal is that the farmers of my district who need hay at nominal and reasonable prices and who find it economically unsound to borrow money at the existing price of hay, will be helped and it will also help surplus areas to dispose of the hay which they now have and are unable to sell.

I commend this measure to the House, and I thank each and every Member for the opportunity given to present it, because I can assure them that in my district there is vital need for it.

In closing let me say that I have been before the chairman of the Committee on Agriculture urging him, entreating him, at the behest of various committees and farm bureaus and agencies in my district, for a hearing on this bill. I shall greatly appreciate the assistance that any Member from an agricultural district will give me to get a hearing on this bill. I have the personal promise of the chairman, but I am still anxious to get a hearing so that I can present the case of the farmers who are drought-stricken and who are economically flattened by the fact that between now and

pasture time they will be unable to feed their cattle on anything except through an expensive loan, which will put them into debt for a great number of years and will cause them to be unable to farm economically and profitably over a period of the next 4 or 5 years. I submit this in a non-sectional manner and ask that every Member here from an agricultural district consider it with thoroughness and open-mindedness. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield now to the Delegate from Hawaii [Mr. KING].

Mr. KING. Mr. Chairman, an amendment has been proposed to the agricultural appropriation bill now under consideration in the Senate which, if adopted, will destroy the domestic sugar industry. I believe this amendment was offered on the assumption that the conditional payments made to domestic sugar producers are a gratuity, and that the excise tax on sugar is a consumers' tax. This is an error, as any study of the present system will show. Because the conditional payments made to domestic sugar producers are published without reference to the excise tax that is levied on the sugar marketed in the United States it is assumed that these payments are gratuities. Nothing is further from the truth. Whatever may be said in regard to benefits extended to other agricultural commodities, the conditional payments to sugar producers is first collected by the Government in the form of excise taxes from the industry itself, and is not a charge against the general taxpayer.

In fact, a larger sum is collected from the industry than is paid back to the industry, leaving a considerable sum available to the Government for the expenses of administering the Sugar Act, and as a realization of the United States Treasury. At the time the Department of Agriculture appropriation bill was before the House, in early February, I was informed that excise taxes collected to date totaled \$140,000,000 and only \$86,000,000 had been expended, leaving a balance in the Treasury of \$54,000,000.

It is obvious, therefore, that the conditional payments to sugar producers is not a gratuity nor a levy on the taxpayer, but a levy on the industry itself, returned in part to the sugar producers who comply with the various provisions of the Sugar Act, who in fact earn a refund of the tax already paid on the amount of sugar produced by them. To withhold the conditional payments, or to impose arbitrary limitations on the amount paid, without regard to compliance or production, destroys the integrity of the quota system. Such a procedure places the sugar producers in the position of having had their returns from the industry substantially reduced by an excise tax, with no compensatory offset. If it is proposed to place such limits on payments, then similar limits should be fixed on the amount of taxes to be collected.

The assumption that the excise tax is in effect a consumers' tax is based on the natural conclusion that this tax is passed on by the producer and processor to the consumer. Perhaps normally this would be the case, but the controls established in the Sugar Act prevent such a course in this instance; and the excise tax on sugar is not paid by the consumer.

I quote from a statement made by Secretary of Agriculture H. A. Wallace on March 15, 1937, in support of this contention:

One is likely to assume that excise taxes increase prices under all conditions; but an excise tax on sugar, within certain limits, under a quota system is one of the exceptions.

Also, the Bureau of Agricultural Economics, in a report published in 1937, said:

Since the total quota for sugar was completely filled each year, the quota system definitely limited the quantity of sugar made available for sale in the United States, regardless of the processing tax. Consumers would pay only a given price and aggregate amount for such a quantity, depending upon the existing state of demand, which is largely influenced by consumer purchasing power. Therefore, the tax did not affect the retail price in any way, at least over any appreciable period of time, and so could not have been passed on to consumers. (P. 67, "An analysis of the effect of the processing taxes levied under the Agricultural Adjustment Act," published 1937.)

Since the tax was not borne by consumers or by refiners or distributors of cane sugar, and apparently was not borne by the

manufacturers of raw sugar, it follows that the grower of cane sugar, as the residual element in the situation, did bear the burden of the tax as such.

The best proof that the consumer does not carry the burden of the excise tax is the record of the retail price of refined sugar over a number of years, under the protective-tariff system and under the quota system. The average retail price for the period 1909-13 was 5.95 cents higher than for 1935, 1936, 1938, and 1939. Over the period 1929 to 1939, inclusive, this price, the cost of sugar to the ultimate consumer, has ranged from 6.4 cents to 5 cents; but lower on the whole under the quota system, with a range of from 5.7 cents to 5.4 cents.

An American market free to all the producers of sugar in the world might give the American consumer cheaper sugar; but that lower price would be obtained only at the cost of the destruction of a great American industry. Also, the same might be said of many other American commodities, the tariff or a satisfactory substitute being necessary for their protection against foreign competition. On the other hand, America has had some bitter experiences when at the mercy of foreign producers. On several occasions when a domestic supply of sugar was lacking the price of sugar went to unreasonable heights, and complete dependence on imports would, if the past is any criterion, not help the consumer.

If it is conceded that the present system does not grant a gratuity to the sugar producers, and that the excise tax is not borne by the consumer, then the only remaining effect of the proposed limitation on conditional payments is as punitive legislation against large producers. Under the Sugar Act a sliding scale of payments is already prescribed which penalizes large producers and grants proportionately greater payments to the smaller producers.

Because the amounts paid to some producers are large, and the fact that a larger tax has already been collected on the sugar produced is rarely, if ever, mentioned, there is a tendency to fix a limit on such payments. That they were earned by compliance with the restrictions and other provisions of the Sugar Act is never stressed. No effort is made to determine the relative cost of production nor any attention paid to the number of persons employed by the larger producers and dependent for their livelihood on the prosperity of these industries. The limitation becomes simply a punishment for being big.

In this connection an excerpt from a letter by Acting Secretary of Agriculture Harry L. Brown with reference to some aspects of a proposed agricultural bill is quoted herewith as pertinent:

By modifying the provision in section 340 (b), whereby the certificate allotments per farm would be scaled down as the total number of bushels increases. It is possible that this provision was included on the assumption that large producing units have a marked advantage from the standpoint of efficiency in production. If this assumption were correct, the ultimate effect of these scale-down provisions would be to foster the adoption of less efficient production units. On the other hand, efficiency of production seldom, if ever, increases in any given proportion to the increases in the size of the enterprise. Some small farms are low-cost producers and some large farms are high-cost producers. Consequently these scale-down provisions would not be an equitable means of avoiding excess profits. The equitable and nondiscriminatory device for this purpose is a tax on the things themselves, namely, high net incomes and excess profits.

Unfortunately, Hawaii, where plantation farms are by necessity operated in large units, is vulnerable to this sort of attack, and the large payments its producers receive are the object of much unjustifiable criticism. The truth is, Hawaii receives in conditional payments nearly \$1,000,000 less than the amount of the tax collected on the sugar it produces. The industry employs over 47,000 persons, who, with their families, comprise over 100,000 people, about one-fourth of the total population. This group is directly dependent on the sugar industry for their livelihood. As the sugar industry comprises from 60 percent to 75 percent of Hawaii's economy, the welfare of the entire population of the Territory is involved with its prosperity. Limitations such as have been proposed are so drastic as to be in fact a legislative ban against the continued existence of the industry at all. Surely it cannot be seriously intended to deny economic life to Ha-

wai, which has in every way cooperated with other domestic producers of sugar, and asks only to be treated fairly and justly as a part of this American democracy, whose creed is "equal justice under the law."

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, the bill for the extension of the reciprocal trade treaty program has passed this House and is now before the Senate, but I want to call the attention of the Members to the claims being made by the foreign traders that it was through their efforts, through their propaganda, that the reciprocal trade treaty measure was passed by this body and reported favorably by the Senate Committee on Finance.

About 2 weeks ago the New York Times carried a story, from which I will read you two paragraphs:

Credit for the change in feeling of the Senate is claimed in part by the foreign traders who carried on an organized campaign in behalf of the trade treaties this year for the first time since the act was adopted 6 years ago. Working through civic groups, women's organizations, and similar bodies, the foreign traders have built up a strong feeling in favor of the treaties among consumers who, in turn, have brought pressure to bear on Congress.

Effectiveness of the foreign traders' campaign, spokesmen for importers and exporters asserted, can be judged by the fact that in December the chances for Senate passage of the bill was considered so slim that the foreign traders themselves credited opponents with having at least 10 more votes than they needed to defeat the renewal bill in the Senate.

You will note that this story quotes the foreign traders as openly claiming credit for influencing the votes of more than 10 Members of the Senate on this issue.

Few persons realize the extent to which these foreign traders are working to induce the American people to buy foreign goods in preference to American-made merchandise. Government departments have had their share in the propaganda, as some of you know. On June 7, 1938, I spoke upon the floor of this House condemning the policy of the Government in going too far in recommending buying too much merchandise from foreign countries to the detriment of our industries and the workers in our own country. At that time I presented a copy of a syllabus on foreign trade used in the schools of New York City, which was prepared for the high-school division by the Board of Education of the City of New York, by the high-school coordinating committee, and the New York national foreign-trade committee, the High School Principals Association, with the cooperation of the United States Bureau of Foreign and Domestic Commerce, the Chamber of Commerce of the United States, and the Port of New York Authority.

This syllabus was issued in the attempt to sell the idea to school children that foreign-made goods are better than those made here. The first page of the syllabus contained a statement which I want to repeat.

All of us are attracted by new and novel things; also we believe that imported goods are better than our own. This further encourages trade between nations.

Of course, that was an outrageous thing, and I recall it to this House merely to show the kind of propaganda the foreign traders resort to, to make Americans buy foreign goods and in pressing for the continuation of the reciprocal trade treaty program.

Nobody would be foolish enough to claim that we should not have any foreign trade. That is not the question at issue. But when the largest commercial association in the country, the high-school associations, and the departments of our Government unite in promoting and advertising foreign-made goods as superior and preferable to our own, then it is time to call a halt.

This is the only country in the world where such a thing could happen. Try to picture the consequences of such a statement in any other nation. In some it would be tantamount to treason, so jealous are the authorities of their countries' manufactures. Every English boy and girl is taught to "Buy British," and this slogan is known throughout the world. British goods are advertised as being the best and a real resistance to foreign-made goods is noticeable in the British buying public.



The foreign-trade groups in America have gone to extreme ends, and boast about it, in influencing other groups in favor of the extension of these trade treaties. They induced the civic groups, women's organizations, such as the Young Women's Christian Association, and similar bodies to be placed on record in the hearings in favor of the trade treaties. So far as I can ascertain, however, the membership of these organizations has never acted upon the question. Certainly they would not willingly hurt the workers in the United States.

Long articles have been printed in leading magazines under the bylines of prominent people. One such appeared in a national weekly magazine, wherein a well-known and highly respected financier indicated clearly that his support of the trade-treaty program was based upon data issued by Department of State officials. Among other things, he wrote:

I know that the State Department figures as to the favorable working of the agreements have been challenged on some points, but I have no reason to doubt that the Department's compilations are substantially correct.

What a shame it is that before he made up his mind and before he wrote that article he did not have these compilations checked to see whether or not they represented the true facts. It is a known fact that during the 6 months beginning September 1, 1939, and ending February 1, 1940, American exports showed a marked increase over the amount during the same period a year ago. Before attributing this increase to the reciprocal trade treaty program it is wise to examine the details of our exports during this period. If we take a quick view of the circumstances we find our trade on the whole with Europe increased approximately 20 percent, Canada about 45 percent, South America about 55 percent, and Asia approximately 34 percent. Without looking any further, these percentages I have just mentioned disclose very interesting—in fact, significant—circumstances. The 20-percent increase in export trade with Europe is almost entirely due to the war. This is proved by the fact that products of such tremendous military value as aluminum increased during this 6-month period about 325 percent; raw cotton, 112 percent; aircraft, airplane engines and parts, almost 100 percent; and chemicals, approximately 65 percent. If these products for the use of destroying civilization were reduced to the normal commercial exports in a normal peaceful Europe, it appears quite obvious that our exports to Europe would show very little, if any, increase whatsoever.

Let us examine our exports to the more peaceful sections of the world, such as Canada, South America, and Asia—although we consider that there is a real war going on in Asia. Here we also find large increases in our exports such as I mentioned before. Where such marked increases occur there must be a cause for them. Is this cause the reciprocal trade treaty program? I think not, and for this reason: With the great industrial nations of the world locked in a conflict that might threaten their very existence, they cannot give attention to exports. For them the channels of trade are limited to the vital necessities for war. Their attention, their industrial life, with all of its ramifications, is riveted to one objective—winning the war. Human desires and demands never cease; they are constantly reflected in ever-changing market conditions. Markets are not static. It is perfectly obvious that with all of the industrial nations involved in war—except one—that one, which is the United States of America, would receive the large proportion of trade from the peaceful nations of the world. As the intensity of the war develops, their markets are gradually forced into the lap of the United States. This increase in trade with these sections during the 6 months mentioned is not, therefore, due to the Reciprocal Trade Treaty Act but rather to war tying up the industrial nations of Europe as well as Japan in Asia. Had the well-known financier whose support of the Reciprocal Trade Treaty Act based upon the statistical data of the Department of State given sufficient analysis and attention to the facts I have just presented, I believe his conclusions would have been different.

To illustrate another point which the financier could not have considered: Prior to a few weeks ago the proponents of the trade-treaty program compared our exports of 1937 and 1938 with our exports of 1932 and alleged that the increase in our exports since 1932 was due to our trade treaties with foreign nations. The fact is that the trade treaties were not authorized until June of 1934, and up to September of 1935 there was only one such treaty in effect a full year.

I believe no one will contend that we are going to provide jobs for our 10,000,000 of unemployed so long as we permit competitive imports to enter into American markets at less than our costs of production. Here in America we have fought hard against sweatshop conditions and impoverishing wages. We have established minimum-wage scales and maximum-hour regulations to protect our workers. We have done more to make the worker satisfied, to educate him and his family, to see that he is properly housed, and to guard his health than any other nation in the world. Now, because the foreign traders through their propaganda are admittedly successful in winning over legislators to their point of view, are we to be a party to the encouragement of these conditions abroad by admitting to our markets the products of pauper labor? Repeatedly upon this floor I have pointed out that we have the best labor in all the world—the best trained, best educated, best housed and clothed. Our workers are accustomed to a standard of living, and rightly so, that is far above that of workers abroad. It is a thing to be guarded and protected. Any influx of cheap-labor goods from abroad weakens that standard of living and undoes the good work of years in improving our standards. [Applause.]

The letter from the workers referred to and showing how they feel about these treaties is as follows:

PACIFIC MILLS WORSTED DIVISION EMPLOYEES ASSOCIATION,  
Lawrence, Mass., March 13, 1940.

Hon. EDITH NOURSE ROGERS, M. C.,

House of Representatives, Washington, D. C.

DEAR MADAM: In order that you may appreciate more thoroughly the viciousness of these reciprocal-trade agreements insofar as they affect the city of Lawrence and similar centers, I am referring the following facts to you:

#### IMPORTS, WOOLEN PIECE GOODS

Imports increased substantially in November and December so that the total for the year was 78 percent above 1938 and 20 percent above 1937.

#### Wholly in chief value of wool and similar hair

1929	-----pounds-----	10,233,000
1930	-----do-----	5,182,000
1931	-----do-----	2,779,000
1932	-----do-----	1,899,000
1933	-----do-----	2,791,000
1934	-----do-----	2,485,000
1935	-----do-----	3,148,000
1936	-----do-----	4,532,000
1937	-----do-----	5,729,000
1938	-----do-----	3,865,000
1939	-----do-----	6,891,000

The above figures give the total imports of woven piece goods in pounds from 1929 through 1939. It will be observed that the imports for 1939 are higher than any year since 1929. England is making every effort to increase her exports of woollens in 1940.

It isn't necessary to go into any further statistics because the Department of Commerce in Washington is filled with those but we view with a great deal of concern the days which will follow the end of this struggle in Europe, not because we are not anxious for peace but rather because we fear an economic reaction which will be far worse than the one which followed the last World War. We read daily of special trade agreements which have been consummated between England and France on the one hand and Turkey, Rumania, and Italy on the other hand, with the result that when the war is over practically all of these countries will be committed to each other to such an extent that they will do most of the trading amongst themselves. The only contact that we will apparently have with them will be when their goods are imported into this country. In other words, it will be one-way traffic, with goods entering America and not leaving.

We trust that you will not let us down at a time when this act is the most dangerous to us. Vote to eliminate trade agreements and vote to keep American work for American workers.

Yours very truly,

PACIFIC MILLS WORSTED DIVISION  
EMPLOYEES ASSOCIATION.  
WILLIAM A. SHEARER, President.

Mr. TARVER. Mr. Chairman, I yield now to the gentleman from Mississippi [Mr. COLMER].

PARITY PAYMENTS FOR FARMERS

Mr. COLMER. Mr. Chairman, representing as I do what is largely an agricultural district in an agricultural State, it has been my privilege, and I have regarded it as a solemn duty, for the brief time that I have been a Member of this body to give considerable thought and effort to the problems of the farmers of this country. And I shall be frank enough to admit that I have been selfish enough in that consideration and effort to consider primarily the problems of the southern and more particularly the cotton farmer. I am profoundly and intensely interested in this subject, and so with your permission I should like to have your sympathetic attention and consideration of these problems for the next 15 or 20 minutes. But my chief purpose in so seeking your indulgence is to most particularly call your attention to the conference report on the Agriculture appropriation bill, which it will be the serious duty of this House to consider within the next few days. And I should also like to call your attention to one phase of that report, namely, the item appropriating \$212,000,000 for parity payments which was placed in the bill by the Senate. It will be recalled that when the bill passed the House no provision was made therein for the continuation of the parity payments to the farmers. Of course this was no oversight by those of us who were so intensely interested in agriculture. But since the President had made no recommendation and the Budget had included no item therefor, it was thought that discretion would warrant no fight for this item in the consideration of the bill in the House. It was generally conceded by all interested parties that the Senate would place this item in the bill and that chances for its being written into the law would thereby be enhanced. This was not due to a lack of interest in agriculture in the House, although it is, of course, realized that because of the larger representation of States with great urban centers in the House as compared with the Senate, the representation of the farmers in the two bodies suffers by comparison. But it was hoped that between the lapse of time between the passage of the bill by the House and its passage by the Senate, those who had hoped that wartime activities would bring about an increase in the price of agricultural commodities would more forcefully realize that such a coveted event was not likely to happen.

And so, Mr. Speaker, the bill comes back from the Senate with an appropriation therein for something approaching parity payments for the farmers of this country for 1941. Realizing as I do that there is such a disparity in the representation of the rural areas I nevertheless cannot believe that this House will fail to do its duty to the farmers and to the country by failing to retain this appropriation item in the agriculture appropriation bill.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?  
Mr. COLMER. I yield.

Mr. RICHARDS. I understood the gentleman to say a day or two ago he was planning to call a meeting of Representatives interested in agriculture to take some steps on this subject. I want to know whether the gentleman has done anything about that, or whether he intends to, looking toward keeping these parity payments in the bill.

Mr. COLMER. I may say to the membership and to the gentleman from South Carolina that this matter is now under consideration. We hope to have a meeting or caucus of all interested Members in a few days. I have discussed it with the various leaders of the subcommittee on agricultural appropriations and of the legislative committee on agriculture, and others interested.

Mr. RICHARDS. I am glad to hear of that, as I know of no gentleman more interested in this problem than the gentleman from Mississippi, nor of anyone better qualified to lead the movement. Day in and day out he has worked for the best interests of the farmer here.

PARITY PAYMENTS BENEFICIAL TO CITY INHABITANTS

Mr. COLMER. Mr. Chairman, in this connection let me point out to those of you who represent large metropolitan

centers that the urban citizens cannot be prosperous without the farmer first enjoying some form of prosperity. Our whole civilization and national life is so interwoven that the one cannot be prosperous without the other. History reflects the fact that in order for the inhabitant of New York City to enjoy a fair degree of prosperity the farmer of Georgia and Mississippi must first likewise enjoy a fair price for the commodities which he produces from the soil. So let no Member of this House representing an urban center be deluded into a state of blissful indifference to the welfare of the farmers of this country. For, verily I say to you now that if this item does not remain in this bill, your constituents who labor in the automobile factories, the shoe factories, the clothing factories, or whatever industry they are engaged in, will suffer in ratio to the degree of the inadequacy of the price that the farmer receives for his crop next year.

But, Mr. Chairman, I shall not dwell upon this longer. There should be no necessity therefor. For, after all, I am sure that we in this great representative body realize—however selfish we might be in representing our particular constituency—that in the long run whatever benefits one section of the country is bound to benefit the other. Therefore this is no sectional matter. There is no occasion for the South being arrayed against the North—or the East against the West—for it is a matter of common knowledge that parity price payments to the farmers of all sections of the country, as provided in this appropriation, can have but one result, a happier agricultural people, a more prosperous Nation, an increase in employment, and a stronger and more contented national existence.

PARITY DEFINED

Mr. Chairman, of course, the membership of this House understands what we mean by parity payments. But it would not be amiss here to call the attention of the membership to the fact that section 301 of the Agricultural Adjustment Act of 1938 provides for and defines parity and parity income as follows:

Parity as applied to prices for any agricultural commodity shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period. The base period, except for tobacco, is the period of August 1909 to July 1914.

Parity as applied to income for agriculture shall be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms the same relation as prevails during the period from August 1909 to July 1914.

But we might go a little further and ask what is meant by net income from farming operations. Net income means income that the farmer has that is available for living after he has deducted from what he received for his products the amount that he has paid for fertilizer, feed, interest, taxes, and the ordinary and incidental expenses incurred in his farming operations. The 1909 to 1914 period is used as a yardstick for measuring parity prices and income. Certainly no one can contend that the farmer is not entitled, in these days of increased prices for everything that he uses, to what he was receiving in the period from 1909 to 1914. But I call the attention of the membership of the House to the fact that this appropriation does not even do that. It is merely an attempt to reach the parity prices so arrived at. We are not asking for an appropriation here large enough to give agriculture a parity income in 1941. What we are seeking by this appropriation is sufficient money to be paid to the farmer to guarantee an income on the basic commodities of corn, wheat, cotton, rice, and tobacco to 75 percent of parity. There are many of us, frankly, who would like to see an appropriation sufficient to pay full parity prices provided for. But realizing the difficulties to be surmounted we are only asking for 75 percent of parity prices by this appropriation.

Mr. Chairman, there is no question about the necessity for this appropriation. What will happen to the farmers of this country if this appropriation is not made? It is estimated that the cotton farmer will receive around 6 to 8 cents per pound for his cotton, and the wheat farmer will receive



around 30 to 45 cents per bushel for his wheat if provision is not made by this appropriation for a continuation of these payments for the next year. The already harassed farmer, harassed by an ever-increasing price that he must pay for everything that he purchases, cannot produce these basic commodities at such a price. That being true how can he be expected not only to purchase the articles that are manufactured in the cities, but how is he going to exist under such conditions?

## FARM INCOME

I hope that you will bear with me further while I call your attention briefly to some statistics. What has been the average income of the farmer over the period of the past 5 years? Statistics compiled by the Department of Agriculture show that the net income of each person living on the farm for the past 5 years has been \$166 per year per person. While the same statistics show that the net income of persons not engaged in farming, for the same period, has been \$625 per year per person. Can any fair-minded person, therefore, for a moment, argue against this effort to approach parity payments for our farmers? Can it be argued, without the blush of shame, that this pitiable net income should be further reduced? And I hope that the Members will bear in mind that this income has been over the period of the past 5 years and takes into consideration the parity payments and other governmental subsidies. How can the farmer be expected to pay his taxes, his interest, buy new farm machinery, and send his children to school, as well as to enjoy a few of the luxuries of modern life—such as the automobile, the radio,

and electricity—on an income less than that which he has been receiving for the past 5 years?

## INCREASED COST IN THE PRICE OF FARMERS' PURCHASES

And in this connection may I not call your attention to a further analogy? The distinguished Secretary of Agriculture, in his testimony before the Senate Agriculture Committee, very graphically pointed out the inequality in the position of the farmer, as compared with other groups, by reading from two mail-order catalogs, such as are found in practically every farm home in the country. The catalogs were for the years 1913 and 1940, respectively. He gave, for instance, the average price that the farmer had to pay for a work shirt in 1913 as 57 cents. While in 1940 the catalog listed the same shirt as 73 cents—a 28 percent increase in the price the farmer has to pay for an ordinary work shirt today over what he paid for the same shirt in 1913.

Or to put it another way, in terms that anyone can understand, the farmer in 1913 could purchase with 8.4 pounds of hogs an average work shirt. While in 1940 he would have to sell 14 pounds of hogs to buy the same shirt. In terms of cotton—in 1913 the Mississippi farmer could, from the proceeds of 4.7 pounds of raw cotton, have purchased a work shirt. While in 1940 he would have to sell 7.2 pounds of raw cotton to purchase the same cotton shirt. This contrast could be carried on indefinitely, but with the permission of the House, which I now seek, I will insert at this point two tables, as furnished me by the Secretary of Agriculture, which most graphically illustrate this point:

TABLE C.—Comparative prices for selected articles, Sears, Roebuck &amp; Co., 1913 and 1940

Article	Unit	1913 catalog			1940 catalog			Price change, 1913-40	
		Page Nos.	Number of items listed	Average price	Page Nos.	Number of items listed	Average price	Amount	Percent
Work shirts.....	Each.....	310-313	34	\$0.57	324-327	60	\$0.73	+\$0.16	+28
Overalls (bib).....	Pair.....	432-434	10	.70	319-323	18	.97	+.27	+39
Men's suits.....	Each.....	383-393	68	12.32	271-274, 277-279	34	18.08	+5.76	+47
Women's shoes.....	Pair.....	336-341, 343-346, 349-351	124	1.84	118, 119, 122-131	68	2.81	+.97	+53
Common nails, 8d.....	100 pounds.....	1100	1	2.10	896	1	3.65	1.55	+74
Axes, single-bit, 4-pound head.....	Each.....	1102	8	.96	904	1	1.89	+.93	+97
Handsaws, 26 inches.....	Each.....	1110-1111	8	1.16	906	5	2.07	+.91	+78
Spike-tooth harrows, 2-section 60-tooth.....	Each.....	1162	1	10.06	940	1	19.75	+9.69	+96
Corn planter, 2-row check.....	Each.....	1163	1	31.25	942	1	65.95	+34.70	+111

TABLE D.—Farm products equivalent in value to specified commodities, Jan. 15, 1913 and 1940

Commodities	Unit	Farm products											
		Pounds of cotton		Pounds of wool		Pounds of beef		Pounds of hogs		Bushels of wheat		Bushels of corn	
		1913	1940	1913	1940	1913	1940	1913	1940	1913	1940	1913	1940
Work shirts.....	Each.....	4.7	7.2	3.1	2.6	10.6	10.6	8.4	14.0	0.73	0.86	1.1	1.4
Overalls.....	Pair.....	5.8	9.6	3.8	3.5	13.0	14.1	10.3	18.7	.9	1.15	1.4	1.8
Men's suits.....	Each.....	102.0	179.0	66.0	64.0	228.0	262.0	181.0	348.0	15.8	21.4	25.0	34.0
Women's shoes.....	Pair.....	15.0	28.0	9.9	10.0	34.0	41.0	27.0	54.0	2.4	3.3	3.7	5.3
Common nails, 8d.....	100 pounds.....	17.0	36.0	11.3	13.0	39.0	53.0	31.0	70.0	2.7	4.3	4.2	6.9
Axes, single-bit, 4-pound head.....	Each.....	7.9	18.7	5.2	6.7	18.0	27.0	14.0	36.0	1.2	2.2	1.9	3.6
Handsaws, 26 inches.....	Each.....	9.6	20.5	6.2	7.4	22.0	30.0	17.0	40.0	1.5	2.4	2.3	3.9
Spike-tooth harrows, 2-section, 60-tooth.....	Each.....	83.0	196.0	54.0	70.0	186.0	286.0	148.0	380.0	12.9	23.4	20.0	37.0
Corn planter, 2-row check.....	Each.....	258.0	653.0	168.0	235.0	570.0	956.0	460.0	1,268.0	40.0	78.0	63.0	124.0

## TARIFF

But, Mr. Chairman, I realize that there are those here who are opposed to these payments on the ground that they are subsidies to the farmer. Well, I admit that they are subsidies, and why should not there be some sort of subsidy to the farmer? We are living in a very complex and complicated era of our civilization. We have found it necessary to subsidize many activities and endeavors that are a part of our national existence. For instance, we found it necessary to annually subsidize the air-mail service to the extent of \$8,000,000. We are subsidizing our second-class mail to the extent of \$87,000,000 annually. We are subsidizing our airports and airways to the extent of \$50,000,000. Our waterways are being subsidized to the extent of \$100,-

000,000. Our public-roads system is being annually subsidized to the extent of \$1,200,000,000. What about the billions that we are appropriating annually for national defense? All of these items, the Congress has determined, are essential in this period of social and economic upheaval. But what about the gigantic subsidy in the form of tariffs which go to the industry of the country? I do not hear the opponents of these measly pittance, in the form of appropriations to the farmer, raising any question about the gigantic, if indirect, subsidies that result from the tariff. As a matter of fact, Mr. Speaker, if it were not, in my humble judgment, for the high-tariff walls that were erected under a Republican administration, and which contributed to the collapse of our world economic structure, there possibly

would be no necessity for subsidy to the farmer. Can anyone deny that the iniquitous practice of building up these veritable Chinese walls in the form of tariff barriers contributed largely to the loss of the exports of our surplus agricultural commodities? Certainly, if industry is entitled to a subsidy in the form of a tariff so as to bring about an average net income of \$625 per person to those engaged in industry and other allied endeavors, no one should have the temerity to suggest that the farmer should not be entitled to a subsidy sufficient to bring his net income up to \$166 per person, which is all it is hoped this appropriation would do.

#### PRESIDENT'S ATTITUDE

But, it will be argued here in the next few days that this item will upset the Budget, and that the President is opposed to it. Mr. Speaker, I assume that this item will upset the Budget to an extent. But, so far as I am concerned, I am perfectly willing for it to be upset to that extent. As a matter of fact, while we prate about balancing the Budget we all know that the Budget would not be balanced even if the farmer were made to make this additional sacrifice. And, I might mention that the farmer is the only one who has been asked to sacrifice in order to balance the Budget; and, so far as I am concerned, I am not willing to be a party to making the farmer the proverbial goat of this drive to retrench and economize. But, it will be argued again that the President is opposed to this item for parity payments. I do not think that anyone has a right to quote the President to that effect. We do know that the President, in his message on the Budget, said:

I have not, however, included estimates for new appropriations for parity payments in 1941. I am influenced by the hope that next year's crops can be sold by their producers for at least 75 percent of parity. I do not suggest in any way the abandonment of the policy of parity payments heretofore adopted, and future events may call for some appropriation to this end. I note, however, in passing, that the Congress has failed to make any provision for the financing of these payments already made or obligated for 1938 and 1939 crops.

But it will be borne in mind that this message was sent to the Congress several weeks ago when the President, like everyone else, hoped that there might be an increase in the price of agricultural commodities as a result of war activities abroad which would justify the leaving out of this item from the Budget. But we know now that no such thing has happened. Nor do we have any reason to believe that it will happen. On the contrary, all indications point to the fact that the European countries will utilize their credit in this country for the purchase of arms and ammunition rather than agricultural commodities.

Let us analyze the President's statement in the Budget, which reads in part as follows:

I am influenced by the hope that next year's crops can be sold by their producers for at least 75 percent of parity.

Can it be said that this is an argument against parity? On the contrary, it is an argument for parity, for does it not follow that if this appropriation remains in the bill and the price of agricultural commodities should rise sharply enough to meet the President's hope "for at least 75 percent of parity" then there would be no necessity for using the appropriation.

However, I am in accord with the President in his statement to the effect that there should be some provision made for placing parity payments on a more substantial basis. I think that we should work out some comprehensive and effective legislation of a self-liquidating nature which would insure not 75 percent of parity but full parity prices. And that on a permanent basis rather than on a piecemeal basis, asking Congress for these appropriations from year to year.

Mr. Chairman, I am very much interested in this permanent legislation. I have discussed it with members of the House Agriculture Committee. In fact, they are considering legislation to that end now. It so happens that about 2 years ago I collaborated with two of my distinguished colleagues, the gentlemen from Texas, Messrs. PATMAN and POAGE, and we jointly introduced such a bill. The difficulty

of this legislation was that it was more or less confined to cotton. But it is safe to say that those of us interested are going to do everything within our power, without pride of authorship, to bring about such legislation.

#### CONCLUSION

Mr. Chairman, in conclusion, allow me to say that this Congress has heretofore recognized the necessity for parity payments. The Congress has provided for such payments by appropriate legislation. This is merely an appropriation carrying out the mandate of Congress to provide such payments by a sufficient appropriation. If there was necessity for parity payments in 1938, 1939, and 1940, there is certainly necessity for parity payments in 1941. The Congress will be most derelict in its duty to the farmer and to the country if it fails to make the necessary appropriation available for these parity payments.

Mr. Chairman, last fall the President of the United States called the Congress into extraordinary session for the purpose of enacting a neutrality bill that would keep this country out of war so far as it was humanly possible by legislation to do so. The Congress enacted that legislation. You and I were primarily interested in keeping this country out of war. We said by that legislation that we were willing to make substantial economic sacrifices in order to keep out of war. We did make the greatest and most colossal sacrifice that any powerful Nation like ours has ever made in an effort to keep out of war and to prevent millions of young Americans from spilling their blood on the altar of the god of war. But may I not point out to you that possibly among the chief sufferers and among those who were called upon to make the greatest sacrifices were the farmers of this country when by virtue of this neutrality law we kept our ships from going to the ports of belligerent nations and required cash payments for our products, thereby lessening the opportunity of the farmers of this country to dispose of their surplus agricultural commodities. Shall we now deny them this appropriation to partially off-set that sacrifice? The farmers of America have throughout the ages demonstrated their patriotism and their loyalty to this country from the Minute Men of '76 down the years through the last great World War. Let us not, in this effort to prevent this country from becoming drawn into this war, turn the back of our hands to the farmers by requiring them to make all of the sacrifices. I hope in common fairness and justice to that great class of our patriotic American citizenship—the farmers of America, who number 25 percent of our population—that this House will appropriate these necessary funds for these necessary parity payments. [Applause.]

Mr. TARVER. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MILLS].

Mr. MILLS of Louisiana. Mr. Chairman, the three great fundamental problems before the United States are the farm problem, unemployment, and the industrial question. True enough, Congress has endeavored to bring the price of farm products to parity, or a level with manufactured products, but to this end we have only reached our objective to about 75 percent, taking into consideration all farm commodities; that is, when the great mass of the farming people need \$1 worth of merchandise they are only able to buy 75 cents worth. However, in the case of the cotton farmer, he is only able to purchase 55 cents worth, considering the price he received for his 1939 cotton crop. So let us turn the page and note the public workingman's problem. Do you know what we will find? Approximately 11,000,000 men unemployed. Yet in our beautiful land of America, where there is too much to eat, too much to wear, and too much of everything to supply the demands, we find people hungry, undernourished, poorly clad, and without the very necessities of life. Therefore it is not enough to paint an unpleasing picture or situation and sit idly by and see our farmers till the soil and at the close of the year's hard task be forced to accept for his produce—cotton, cottonseed, corn, and other commodities—a price far less than the cost of production. Therefore we must come to the rescue of our unfortunate farmers and laboring men of America by



showing that Congress has an interest in that they may enjoy some of the pleasures and happiness that God intended for them to enjoy.

I hesitate to state it, but the farming question is becoming a deplorable problem, and unless Congress now undertakes a sound program dealing with the subject in a more comprehensive manner, not forgetting labor, agriculture, and industry, I say disaster is looming directly at every man's door.

Now, let no one say I am undertaking to depreciate certain benefits from the Agricultural Adjustment Act, such as soil conservation, the purchasing of surplus commodities, and other recourses available the last several years, but the fact remains they have not solved the farm problem, and instead they have failed by a wide margin to bring farm prices or the farm income up to parity or near parity. Why, cottonseed sold from approximately \$12 per ton at the opening of the 1939 season to \$24 per ton at the close of the season. Why, so frightful was this condition in the South until the farmer had to make financial arrangements whereby he could harvest his crop, whereas the farmer has always enjoyed a price for his seed that would enable him to pay for his ginning as well as the harvesting of his crop. So far the bait that has been sugar-coated and handed to the American farmer are only efforts, it appears to me, to redeem certain national political campaign pledges. I say they have had a fair and exhaustive trial, but in no respect does the present agricultural program assure the American farmer a price for his products on a par basis of cost, and this statement can well be borne out by the following table prepared and submitted by the Bureau of Agricultural Economics.

Prices received by farmers for specified commodities on Nov. 15, 1919 and 1939, and parity price Nov. 15, 1939

Commodity	Unit	Prices received by farmers on Nov. 15		Parity price, Nov. 15, 1939
		1919 (1)	1939 (2)	
Wheat, per bushel.....	Cents.....	214.0	73.1	113.2
Corn, per bushel.....	Cents.....	131.0	46.8	82.22
Oats, per bushel.....	Cents.....	69.6	32.1	51.1
Barley, per bushel.....	Cents.....	118.8	42.2	79.2
Rye, per bushel.....	Cents.....	131.5	44.6	92.2
Buckwheat, per bushel.....	Cents.....	148.6	62.4	93.4
Flaxseed, per bushel.....	Dollars.....	4.10	1.64	2.16
Rice, per bushel.....	Cents.....	266.2	76.1	104.1
Cotton, per pound.....	Cents.....	36.00	8.80	15.87
Cottonseed, per ton.....	Dollars.....	72.65	23.75	28.86
Potatoes, per bushel.....	Cents.....	156.2	69.2	86.5
Sweetpotatoes, per bushel.....	Cents.....	135.1	64.5	112.4
Peanuts, per pound.....	Cents.....	9.1	3.59	6.1
Apples, per bushel.....	Dollars.....	1.85	.62	1.23
Butterfat, per pound.....	Cents.....	62.9	28.1	35.8
Chickens, per pound.....	Cents.....	22.0	12.4	14.6
Eggs, per dozen.....	Cents.....	59.1	25.8	39.5
Hogs, per 100 pounds.....	Dollars.....	13.36	5.87	9.24
Beef cattle, per 100 pounds.....	Dollars.....	8.55	6.89	6.67
Veal calves, per 100 pounds.....	Dollars.....	12.65	8.64	8.64
Lambs, per 100 pounds.....	Dollars.....	11.45	7.48	7.51
Tobacco, per pound.....	Cents.....	62.1	16.0	15.5
Hay, per ton.....	Dollars.....	19.40	7.51	15.1
Wool, per pound.....	Cents.....	51.0	27.6	23.4

You will note in the middle column, or column 2, is the price we are paying the farmer, and in column 3 is the price we promised him, whereas in column 1 is the price the farmer received in 1919. It is true and we acknowledge without the agricultural measures we have had prices would be far less; but do you think it is fair for farmers to collect one-half of his pay for his day's work?

Further, the national income for 1939 was \$67,608,000,000, whereas the farming population, consisting of approximately one-third of the Nation's people, only received \$4,458,000,000, which is less than 7 percent of the national income. So farm prices and farm income have been steadily dropping for 5 years, according to the Bureau of Agricultural Economics, while labor and industry costs entering into farm necessities have been rising to such a degree until it is almost impossible for the farmer to continue; and at this point I would like to quote from several of our leading agricultural authorities relative to our present farm program.

William Hirth, president of the Missouri Farmers Association and chairman of the historic Corn Belt Committee, who

led the fight for the McNary-Haugen bill, and without whose support it could not have been passed, says:

Agriculture is facing a new crisis. Already Secretary Wallace has sounded a warning that there is no assurance that the new Congress will be willing to keep on appropriating hundreds of millions of dollars \* \* \* and thus it is not unlikely that the farm relief of recent years, economically unsound \* \* \* as it has been, will come to an end and the farmers will once more be left to root hog or die. \* \* \* Will the Democratic leaders have the courage to tell the consumers of the Nation that they should be willing to pay the farmer cost of production, plus a reasonable profit, for the products of his toil? Or, to put it another way, when they tell our millions of city workers that they are entitled to an American standard of living, will they have the honesty and courage to tell them that they should be willing to concede the same kind of living standard to the farmer? \* \* \* If the farm men and women of the United States were willing to ignore partisan politics and would speak with one voice, they would make demands for economic justice to agriculture which neither party would dare ignore, and the time is close at hand when farmers must act in this manner if the Republic is to be preserved.

And I quote from a statement made by Earl Smith, of Illinois, who is one of the most able farm leaders of America:

Everything yet done by Congress for the solution of the farm problem has been to appease the farmer rather than directed fully to the solution of the agricultural problem.

Edward A. O'Neal, president of the American Farm Bureau Federation, writes:

I am willing to support any feasible and reasonable farm program and support any and all reasonable expenditures in behalf of agriculture, if only there is some prospect that a solution will be found. In the light of the experience of the last few years, with generous appropriations to carry out a program for curtailing supply and expanding demand, is there anyone so bold as to insist that we have found the solution, or, if not, approximate solution? It is results that we are after, and I believe I express the sentiment of a majority of farmers that they seek results rather than experimentation.

Louis J. Taber, master of the National Grange, said at the seventy-third annual convention of the Grange:

We have not yet solved our farm problem. The farmer is not receiving his share of the national income. Although he has educated, housed, clothed, and fed 31 percent of the youth of the land, the prices he has received for the last 10 years equal only 78 percent of the prices he has paid for commodities and services used in rural life.

Prices paid the farmer for what he sells are so low that when the year's accounting is taken he has not enough money to pay his taxes and interest, and as a result a percentage of our farmers throughout the Nation are losing their homes, and this can be well borne out by the fact that the big life-insurance companies of this country are farming 29,000,000 acres of land, and it might be well to note in 1937 the biggest single beneficiary of the New Deal's program was the Metropolitan Life Insurance Co. An Agricultural Department report to Congress revealed this company received \$257,095 in A. A. A. benefits on farms which it owns. Nearly all the top payments went to life-insurance companies, which have become large-scale owners of farms through mortgage foreclosures. The Federal monopoly committee evidence indicated recently that active competition among insurance companies for farm mortgages during the period following the World War made insurance companies the largest farmers in the United States. Therefore, it is very evident that in the light of experience of the last few years, with generous appropriations to carry out a program for curtailing production and undertaking to expand demand or undertaking to increase consumption at the cost of production, we have not discovered a proper solution, so I believe the Agricultural Committee should bring to this House a bill in this present session of Congress that will at least guarantee cost of production. However, in the meantime, we must increase the present agricultural appropriation bill which is pending before Congress at least \$800,000,000, whereby Congress may be able to carry out our contract with the American farmer. The farming people of the Nation have shown their willingness to participate in the present agricultural program through cooperation, knowing, however, the program did not give agriculture proper recognition, but the poor farmer has accepted part of the loaf as a lamb being led to the slaughter pen without a cry. So if this present Congress

should not appropriate the necessary funds to carry out our contract we will have broken faith in that the farmers were led to believe they would be paid certain benefits through participation.

I believe it is a well-established principle, through the economic relationship of business, labor, and agriculture, that for a people to be prosperous economically the farmer must be given cost of production plus a profit for his produce, labor a decent wage, and business a profit. Why, you wouldn't ask a manufacturing concern to operate without paying operating cost. Then after cost of production—certainly no program can have a healthful life, whether it be agriculture, industry, or labor, unless a fair margin of profit is realized. No one would deny or neglect to accept this philosophy; therefore the paramount question arises, What method of approach will be accepted as a permanent cure for agriculture? Well, admitting first the farmer is entitled to parity, to which there is no disagreeing opinion, we must then consider production, but at no time are we to have curtailment of production during the years we actually cultivate the land, but, to the contrary, permit a farmer to produce all he may.

You see, under the present program a farmer is assigned a certain acreage allotment and is given, in addition, certain small benefit payments, but the big objection to the present agricultural program is that thousands of our farmers are losing their homes each year; in fact, 40,000 families each year are becoming tenant families and certain tenants and sharecroppers, as well as certain landowners, today are actually in need of the very necessities of life, such as food and clothes. I repeat again, I personally do not depreciate soil-conservation, purchasing of surplus commodities, and farm-tenant legislation but favor them. However, one step, and a proper one, is to give agriculture an even keel with industry. The country and Congress must accept Alexander Hamilton's views on the question of tariff or else it will be too late to plant corn after harvesting; then I believe we will have made the first step toward a sound and appreciative agricultural program. Hamilton, the first advocate of a protective tariff in this country, recognized that the farmer, as well as the manufacturer, needs Government assistance when he suggested that the farmer be paid a bounty as an offset to the tariff. I read a statement from Alexander Hamilton, as follows:

The true way to conciliate these two interests is to lay a duty on foreign manufactures of the material, the growth of which is desired to be encouraged, and to apply the produce of that duty, by way of bounty, either upon the production of the material itself or upon its manufacture at home, or upon both. In this disposition of the thing the manufacturer commences his enterprise under every advantage which is attainable as to quantity or price of the raw material, and the farmer, if the bounty be immediately to him, is enabled by it to enter into a successful competition with the foreign material.

Therefore, I insist the farmer should have an offset to the tariff and be put on an equality with industry, as he is equally in need of this protection. I would like to quote at this point from Mr. MARVIN JONES, chairman of the Agriculture Committee, House of Representatives, as of February 8, 1938, on the subject of tariff.

I believe in the philosophy of a tariff for all or a tariff for none.

Second, we recognize the law of scarcity and demand; therefore, I believe it a necessity for the fields to lie idle every seventh year by declaring a cotton holiday and during this year when the land is not being cultivated we can pay to the landowner, including the tenant and sharecropper, a sum equal to an average to his 6-year income.

Now assuming that agricultural production will be cared for in the manner specified in the Bible and given an offset to the tariff, we would raise all the cotton that we could raise, all the corn, wheat, and everything else that we could raise. Let us say, for example, that we raised more cotton than we could use, but this is only a gesture as if everybody could buy all the towels, all the sheets, all the bedding, all the clothing, all the carpets, all the window curtains, and all of everything else they reasonably need America would

consume 20,000,000 bales of cotton per year without having to sell a bale to the foreign countries. The same would be true of all other farm products.

But for the sake of argument, let us say, however, that there would be a surplus, and I hope there will be, because it will do the country good to have a big surplus in case of famine, war, or calamity. Let us take cotton for an example, by saying the United States will have a market for 10,000,000 bales and that we raise 15,000,000 bales of cotton. We will store 5,000,000 bales in warehouses provided by the Government. If the next year we raise 15,000,000 bales of cotton and only need 10,000,000, we will store another 5,000,000 bales of cotton and the Government will care for that. When we reach the year when we have enough cotton to last for 12 or 18 months as we have in store presently we will plant no more cotton for that year.

So I contend if we would recognize this law of practice and at the same time give the farmer an offset to the tariff the farmer would be immediately placed on equality with industry, giving this great mass of people the first breath of hope, cheer, and happiness. [Applause.]

Mr. TARVER. Mr. Chairman, I yield such time to the gentleman from Arizona [Mr. MURDOCK] as he may desire.

Mr. MURDOCK of Arizona. Mr. Chairman, the bill as presented to us provides \$85,000,000 for the National Youth Administration, which is the full amount of the Budget estimate for the coming year. While it is true that that amount is \$4,000,000 more than the Appropriations Committee wrote into the bill a year ago for the National Youth Administration, it is also true that it is \$15,000,000 less than was appropriated last year for the N. Y. A. In this case it is a Budget cut, whereas a year ago there was a committee cut. Several of us who are very vitally interested in this appropriation remember that the Budget last year recommended \$123,000,000 for this work, and when the committee bill was before the House it contained an item for \$81,000,000 in the printed draft. Some of us at that time felt that the Budget estimate was nearer right than the committee provision.

The gentleman from Mississippi [Mr. COLLINS] and several other gentlemen, of whom I was one, made an effort last year to amend the bill and raise it to the \$123,000,000 which the President had approved. We failed on the first amendment, but did get an amendment added which increased the amount by \$19,000,000, thus appropriating \$100,000,000 for the present year for the National Youth Administration. I have talked with several gentlemen who feel an amendment should be offered to increase the amount in the bill now before the House.

In former sessions I have received many communications from my constituents asking me to support a liberal N. Y. A. appropriation. Perhaps it is because I have been a schoolman and am known to sympathize with the program that schoolmen of Arizona have contacted me so freely on this item. It has been the schoolmen heretofore, from the president of the State university down to classroom teachers, who have asked me to work for a generous N. Y. A. support. However, this year I have received communications from parents and ministers of the gospel and educational lay members. Their urging is very significant.

Heretofore, I have thought mostly of the fine, constructive work which this fund has done for young people in high schools and colleges. I have commented on what I have seen in my own experience with small colleges in the West. I now am agreeably surprised to learn that the N. Y. A. program has been greatly expanded beyond that which I knew as dean of a teachers college. I am surprised and pleased to see how much "out of school" aid has been given. I am also pleased to see that young people have not been discriminated against because of race or color, which is as it should be. I learned that in Arizona in 1 year 63 young colored persons have been located in private employment by this agency, and 96 young colored students have had opportunity to pay a part of their expenses in high school and college.

I do not have the figures at hand concerning Mexican students, but I know positively that, at the small college



where I worked before coming to Congress, worthy young Mexicans were given impartial consideration such as was accorded all other students, and they participated in the benefits of the program as did all others. I have many times before indicated to the Members that some of the best students graduating from my college were enabled to complete their college work through this program of Government aid. I know that it has been a wise investment.

Mr. TARVER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. COOPER, having resumed the chair, Mr. BUCK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9007, had come to no resolution thereon.

#### EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a radio address by the Honorable Gifford Pinchot, former Governor of Pennsylvania and also the first Chief Forester of this country, on the subject of the farmer and the Forest Service.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include in the remarks I made on the bill under consideration today a letter from the Pacific Mills, Worsted Division, Employees Association, on the subject of the reciprocal trade agreement policy and the very objectionable part that the foreign traders have played in securing the passage of that bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a proclamation regarding cancer control, issued by the President yesterday under the provisions of Public Resolution 82, Seventy-fifth Congress, which I introduced and was successful in securing the passage of.

I also call the attention of the House to the bill, H. R. 4585, which, if passed, I think would very materially lessen the dread disease, cancer. I hope it will be given consideration at this session.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

#### LEAVE OF ABSENCE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. SHAFER] may be given an indefinite leave of absence because of serious injury suffered in an automobile accident last evening.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. BRADLEY] may be given leave of absence for the next 2 or 3 days on account of official business.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

#### EXTENSION OF REMARKS

Mr. GRIFFITH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short table which summarizes the current operations of the National Youth Administration in Louisiana and the program of the National Youth Administration in my district.

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. GRIFFITH]?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Oklahoma [Mr. NICHOLS] may extend his own remarks in the RECORD and include therein an address.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BURGIN, for 10 days, on account of illness.

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1398. An act to amend the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, as amended, to increase the penalties for peacetime violations of such act; and

S. 1750. An act authorizing the Secretary of War to convey to the town of Marmet, W. Va., two tracts of land to be used for municipal purposes.

#### ADJOURNMENT

Mr. TARVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p. m.), under its previous order, the House adjourned until Monday, March 25, 1940, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Wednesday, March 27, 1940:

The Committee on Merchant Marine and Fisheries will hold public hearings on Wednesday, March 27, 1940, at 10 a. m., on the following bills providing for Government aid in the lumber industry: H. R. 7463 (ANGELL) and H. R. 7505 (BOYKIN).

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

The Committee on Merchant Marine and Fisheries will hold public hearings on Tuesday, April 9, 1940, at 10 a. m., on the following bill: H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

##### COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, March 27, 1940, at 10:30 a. m., for the public consideration of H. R. 4221, Naturalization not denied alien because on relief, and H. R. 7239, to naturalize Filipinos.

##### COMMITTEE ON PATENTS

The Committee on Patents will hold hearings Thursday, March 21, 1940, at 10:30 a. m., on S. 2639, to amend section 33 of the Copyright Act of March 4, 1909, relating to unlawful importation of copyrighted works.

##### IMPORTANT NOTICE

The hearings scheduled on the dates below have now been indefinitely postponed until further notice:

The Committee on Patents will hold hearings Wednesday and Thursday, April 10 and 11, 1940, at 10:30 a. m. each day,

on H. R. 8441, to afford greater protection to the purchaser of patent rights; H. R. 8442, to prohibit proof of acts done by an inventor in foreign countries; H. R. 8443, to give the Commissioner of Patents power to protect inventors by establishing adequate standards of professional conduct among attorneys; and H. R. 8444, to permit the assignee of an application for letters patent to make certain supplemental applications.

#### COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Friday, March 22, 1940, at 10 a. m., for the consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

#### COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING MARCH 18, 1940, AT 10 A. M., DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars covering the principal regions of the country.

1. Monday, March 18: Maj. Gen. Julian L. Schley, Chief of Engineers, has been requested to make a general statement, with his recommendations covering a general flood-control bill and the projects that should be included in the bill. He, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

2. Tuesday, March 19: Sponsors and representatives of the Corps of Engineers, from New England, New York, and the Atlantic seaboard on all reported projects and pending bills.

3. Wednesday, March 20: Sponsors and representatives of the Corps of Engineers, from the upper Ohio and tributaries, on additional authorizations for levees, flood walls, and reservoirs.

4. Thursday, March 21: Sponsors and representatives of the Corps of Engineers, from the lower Ohio and tributaries, on additional authorizations for levees, flood walls, and reservoirs.

5. Friday, March 22: Sponsors and representatives of the Corps of Engineers, for the upper Mississippi and tributaries, and Missouri River and tributaries.

6. Saturday, March 23: Sponsors and representatives of the Corps of Engineers for projects on the Arkansas River and tributaries.

7. Monday, March 25: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

8. Tuesday, March 26: Sponsors and representatives of the Corps of Engineers for projects in reports on rivers in Texas and the Southwest.

9. Wednesday, March 27: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

10. Thursday, March 28: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

11. Friday, March 29: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

12. Saturday, March 30: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

13. Monday, April 1: Senators and Members of Congress, Department of Agriculture, and other governmental agencies.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1482. A letter from the Chairman, Reconstruction Finance Corporation, transmitting, pursuant to the provisions of section 201 (b), title II, of the Emergency Relief and Con-

struction Act of 1932, the report of the Reconstruction Finance Corporation of its activities and expenditures for the month of February 1940 (H. Doc. No. 677); to the Committee on Banking and Currency and ordered to be printed.

1483. A letter from the Secretary of War, transmitting a draft of a bill to amend section 10, National Defense Act, as amended, with relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army, which the War Department recommends to the favorable consideration of Congress; to the Committee on Military Affairs.

1484. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill which would afford relief for certain certifying and disbursing officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department in whose accounts disallowances have been made by the General Accounting Office; to the Committee on Claims.

1485. A letter from the president, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the municipal center; to the Committee on the District of Columbia.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TARVER: Committee on Appropriations. H. R. 9007. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes; without amendment (Rept. No. 1822). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 430. Resolution for the relief of Elma S. Moulton. (Rept. No. 1823). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 8262. A bill to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes; without amendment (Rept. No. 1824). Referred to the House Calendar.

Mr. KRAMER: Committee on Patents. S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes; without amendment (Rept. No. 1825). Referred to the Committee of the Whole House on the state of the Union.

Mr. NICHOLS: Committee on the District of Columbia. H. R. 8980. A bill to provide revenue for the District of Columbia, and for other purposes; with amendment (Rept. No. 1826). Referred to the Committee of the Whole House on the state of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 9008. A bill to regulate interstate and foreign commerce in barley, providing for the orderly marketing of barley at fair prices in interstate and foreign commerce, insuring to barley producers a parity income from barley based upon parity price or cost of production, whichever is higher, and for other purposes; to the Committee on Agriculture.

H. R. 9009. A bill to regulate interstate and foreign commerce in rye, provide for the orderly marketing of rye at fair prices in interstate and foreign commerce, insure to rye producers a parity income from rye based upon parity price or cost of production, whichever is higher, and for other purposes; to the Committee on Agriculture.

H. R. 9010. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in hogs, providing for the orderly



marketing of hogs at fair prices in interstate and foreign commerce, insuring to hog producers a parity income from hogs based upon parity price or cost of production, whichever is higher, and for other purposes; to the Committee on Agriculture.

By Mr. EBERHARTER:

H. R. 9011. To provide for recording of deeds of trusts and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes; to the Committee on the District of Columbia.

By Mr. GILCHRIST:

H. R. 9012. A bill to subject sugar, molasses, and similar products used in the distillation of alcohol to the taxes on sugar; to the Committee on Ways and Means.

By Mr. GOSSETT:

H. R. 9013. A bill to transfer Hardeman County, Tex., from the Fort Worth division to the Wichita Falls division of the northern judicial district of Texas; to the Committee on the Judiciary.

By Mr. SCHULTE:

H. R. 9014. A bill to amend the act to regulate barbers in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. WEST:

H. R. 9015. A bill authorizing construction, operation, and maintenance of a project for flood control, and for the conservation, regulation, and utilization of the waters of the Rio Grande, and authorizing appropriation for that purpose; to the Committee on Foreign Affairs.

By Mr. ANDREWS:

H. R. 9016. A bill to amend the joint resolution creating the Niagara Falls Bridge Commission; to the Committee on Foreign Affairs.

By Mr. EDELSTEIN:

H. R. 9017. A bill to provide hospitalization and medical care for the officers and enlisted personnel of the United States Reserves, of the Army and Navy; to the Committee on Military Affairs.

By Mr. ELLIOTT:

H. R. 9018. A bill authorizing an appropriation for the purpose of providing the necessary control of fire, control of erosion, and conservation of water, by the protection of the existing vegetative cover and improvement of said cover for the control of run-off on lands lying within the Angeles, San Bernardino, Los Padres, and Cleveland National Forests, and adjacent lands in Los Angeles, San Bernardino, Santa Barbara, San Luis Obispo, Ventura, and Riverside Counties, State of California; to the Committee on Agriculture.

By Mr. SANDAGER:

H. R. 9019. A bill to provide for a continuous census of unemployment, and for other purposes; to the Committee on the Census.

H. R. 9020. A bill to stabilize employment, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Labor.

By Mr. DIMOND:

H. R. 9021. A bill to require the payment of prevailing rates of wages on Federal public works in Alaska and Hawaii; to the Committee on Labor.

By Mr. SHERIDAN:

H. R. 9022. A bill to prohibit making or collecting loans to Government employees on Government property; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 9023. A bill to provide for the development of marketing and marketing services for farm commodities; to the Committee on Agriculture.

By Mr. BELL:

H. R. 9024. A bill relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard, of the United States, and to amend section 113 of the Criminal Code; to the Committee on Military Affairs.

By Mr. MURDOCK of Utah:

H. R. 9025. A bill to facilitate control of soil erosion and to minimize flood damage on lands within the Fishlake Na-

tional Forest, Utah, and to promote efficiency and economy of administration of said national forest; to the Committee on Agriculture.

By Mr. BLOOM:

H. J. Res. 495. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor, and for other purposes," approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes; to the Committee on Foreign Affairs.

By Mr. LEA:

H. J. Res. 496. Joint resolution providing for more uniform coverage under the Railroad Retirement Acts of 1935 and 1937, the Carriers Taxing Act of 1937, and subchapter B of chapter 9 of the Internal Revenue Code; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON:

H. Res. 434. Resolution to investigate oil tanker and oil barge transportation agencies in the United States and for other purposes; to the Committee on Rules.

By Mr. HENDRICKS:

H. Res. 435. Resolution to make H. R. 8264, a bill to provide for national recovery by raising revenue and retiring citizens past 60 years of age from gainful employment and provide for the general welfare of all the people of the United States, and for other purposes, a special order of business; to the Committee on Rules.

By Mr. TARVER:

H. Res. 436. Resolution providing for the consideration of appropriations and language for the National Youth Administration in connection with the consideration of the bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1941, and for the other poses; to the Committee on Rules.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to consider their House Resolution No. 125, with reference to the deportation of undesirable aliens carrying on un-American and subversive activities; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to consider their House Resolution No. 122, with reference to a survey of the Rough River Basin and a drainage and reclamation project; to the Committee on Military Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. H. CARL ANDERSEN:

H. R. 9026. A bill for the relief of Carl August Engelhardt; to the Committee on Naval Affairs.

By Mr. GAVAGAN:

H. R. 9027 (by request). A bill for the relief of Dr. Gustav Weil, Irma Weil, and Marion Weil; to the Committee on Immigration and Naturalization.

By Mr. GRIFFITH:

H. R. 9028. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Louisiana to determine the claim of Dr. M. O. Becnel, of New Roads, La.; to the Committee on Claims.

By Mr. HARE:

H. R. 9029. A bill for the relief of Charles A. Quattlebaum; to the Committee on Claims.

By Mr. HOOK:

H. R. 9030. A bill for the relief of Emil Lassila, Martha Lassila, Ellen Huhta, and Sylvia Huhta; to the Committee on Claims.

By Mr. HOPE:

H. R. 9031. A bill for the relief of Collin B. Myatt; to the Committee on Naval Affairs.

By Mr. MAY:

H. R. 9032. A bill granting an increase of pension to John Salyer; to the Committee on Pensions.

By Mr. OSMERS:

H. R. 9033. A bill for the relief of Angelo Carlino; to the Committee on Immigration and Naturalization.

By Mr. TERRY:

H. R. 9034. A bill for the relief of Ruby Gaskins; to the Committee on World War Veterans' Legislation.

By Mr. THOMAS of New Jersey:

H. R. 9035. A bill for the relief of Allen C. Hover; to the Committee on Claims.

By Mr. MURRAY:

H. R. 9036. A bill granting an increase of pension to Peter Erickson; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7081. By Mr. GILCHRIST: Petition of sundry citizens of the Eighth Congressional District of Iowa, asking passage of House bill 1, being the Federal chain-store tax bill; to the Committee on Ways and Means.

7082. By Mr. JENKS of New Hampshire: Petition of 60 residents of the First Congressional District of New Hampshire, urging the enactment of House bill 5620; to the Committee on Ways and Means.

7083. By Mr. MICHAEL J. KENNEDY: Petition of the Walter R. Robertson Association, Inc., of Queens Village, N. Y., urging enactment during this session of the Congress of legislation that will prohibit the further expansion and curtail the importation of refined sugar made in the tropical islands for our markets, thereby protecting the jobs of American men and women of Brooklyn, N. Y.; to the Committee on Foreign Affairs.

7084. Also, petition of the United Federal Workers of America, Internal Revenue Local, No. 47, New York City, opposing enactment of certain pending alien bills; to the Committee on Foreign Affairs.

7085. Also, petition of the Enterprise Association of General Pipe Fitters, etc., Local No. 638, of the United Association, expressing opposition to Senate bill 2719, presented by Senator O'MAHONEY, as unfavorable to working men; to the Committee on the Judiciary.

7086. Also, petition of the United Electrical Radio and Machine Workers of Brooklyn, N. Y., opposing any amendments to the National Labor Relations Act, detrimental to labor; also the Smith proposals to amend the act and the functions of the Board; to the Committee on Labor.

7087. Also, petition of the Real Estate Board of New York, Inc., opposing Senate bills 591 and 1275, to amend the United States Housing Act of 1937, and for other purposes, and House bill 1, the Patman chain-store bill; to the Committee on Ways and Means.

7088. Also, petition of the Merchants Association of New York, expressing opposition to enactment of House bill 1, the Patman bill, providing for an excise tax on retail stores; to the Committee on Ways and Means.

7089. By Mr. KEOGH: Petition of the Enterprise Association, Local Union 638 of the United Association, New York City, concerning Senate bill 2719; to the Committee on the Judiciary.

7090. Also, petition of the International Longshoremen's Association, New York City, concerning the Wheeler bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7091. Also, petition of the National Association of Retail Meat Dealers, Inc., Chicago, Ill., concerning the Patman bill (H. R. 1); to the Committee on Ways and Means.

7092. Also, petition of the Merchants Association of New York, concerning the Patman bill (H. R. 1); to the Committee on Ways and Means.

7093. Also, petition of the United Electrical Radio and Machine Workers of America, concerning the Smith committee with regard to the National Labor Relations Act; to the Committee on Labor.

7094. Also, petition of the Medical Society of the County of Kings, Brooklyn, N. Y., concerning appropriation of funds for land and plans for new building of Army Library and Museum; to the Committee on Appropriations.

7095. By Mr. PFEIFER: Petition of the Victor Metal Products Corporation, Brooklyn, N. Y., opposing duty on quill brushes used by nail-polish manufacturers, as well as an increase in the ad valorem rate; to the Committee on Ways and Means.

7096. Also, petition of the Enterprise Association, Local Union No. 638, New York City, concerning the O'Mahoney bill (S. 2719); to the Committee on the Judiciary.

7097. Also, petition of the Merchants Association of New York, New York City, opposing the Patman bill (H. R. 1); to the Committee on Ways and Means.

7098. Also, petition of the International Longshoremen's Association, New York City, concerning the Wheeler-Lea bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7099. Also, petition of the Medical Society of the County of Kings, Brooklyn, N. Y., urging the passage of legislation providing for appropriation of funds for land and plans for a new building of Army Medical Library and Museum; to the Committee on Appropriations.

7100. Also, petition of the State of New York, Department of Law, of Albany, N. Y., urging the passage of House bill 7737; to the Committee on the Judiciary.

7101. By Mr. SCHWERT: Petitions of Dr. Francis E. Fronczak, city health commissioner, Buffalo, N. Y.; Dr. Herbert H. Bauckus, chairman, Board of Health of Buffalo, N. Y.; Dr. Leo M. Michalek, health officer, Lackawanna, N. Y.; Dr. Earl D. Osborne, professor of dermatology and syphilology, University of Buffalo, Buffalo, N. Y.; Dr. James R. Borzilleri, of Buffalo Columbus Hospital, Buffalo, N. Y.; and Paul L. Benjamin, executive secretary, Council of Social Agencies of Buffalo, N. Y., urging support of the original appropriation for venereal-disease control; to the Committee on Appropriations.

7102. By Mr. SWEENEY: Petition of Louis C. Kuehn, secretary of the Greater Cleveland Concourse Association, in behalf of House bill 7813, a bill to safeguard the homing pigeon; to the Committee on Agriculture.

7103. By Mr. VAN ZANDT: Petition of the Pennsylvania State Association of Township Supervisors, urging an amendment to the Federal Work Projects Administration appropriation bill to provide that the funds be apportioned to the 48 States for allocation by the State treasurer to local political subdivisions; to the Committee on Appropriations.

7104. By the SPEAKER: Petition of the International Labor Defense, Polish Branch, Chicago, Ill., petitioning consideration of their resolution with reference to discontinue the Dies committee; to the Committee on Rules.

7105. Also, petition of Local Union No. B-302, International Brotherhood Electrical Workers, Richmond, petitioning consideration of their resolution with reference to the United States Housing Authority; to the Committee on Banking and Currency.

7106. Also, petition of the Marion County Building Trades Council, Indianapolis, Ind., petitioning consideration of their resolution with reference to United States Housing Authority; to the Committee on Banking and Currency.

7107. Also, petition of the Central Labor Council, San Pedro, Calif., petitioning consideration of their resolution with reference to House bill 7447, providing for Federal aid in the construction of the T-tunnel project at San Pedro Harbor; to the Committee on Military Affairs.

7108. Also, petition of the International Union of Operating Engineers, Local No. 612, Tacoma, Wash., petitioning



consideration of their resolution with reference to the United States Housing Authority; to the Committee on Banking and Currency.

## SENATE

FRIDAY, MARCH 22, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. James Shera Montgomery, D. D., Chaplain of the House of Representatives, offered the following prayer:

O Thou who hast borne our griefs and carried our sorrows, Thou who wast wounded for our transgressions and bruised for our iniquities, consider and hear us. Allow not the clouds and the darkness to be around about Thy throne. We bow and bend at the altar of prayer, mercy, and supplication. We unveil the cross and behold infinite love struggling for infinite expression.

God so loved the world, that He gave His only begotten Son, that whosoever believeth on Him should not perish but have everlasting life.

Not unto us, O Lord, but unto Thy holy name be glory and honor, both now and ever. We pray that Thy holy truth may become coextensive with the being of man throughout the wide earth. O, may the throngs touch the hem of Thy garment, that the pangs of hate and paralyzing fear may no longer stain the hearts of men.

We tarry a moment as we vision the rugged brow of Calvary clothed in darkness and blackness because of human weakness and sin. God help us to glimpse and to vision at its foot the glory, the promise, the faith, and the hope of a new coming day. In Thy holy name. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 21, 1940, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	Frazier	Lodge	Schwartz
Bailey	George	Lucas	Schwellenbach
Bankhead	Gerry	Lundeen	Sheppard
Barkley	Gibson	McCarran	Shipstead
Bilbo	Gillette	McKellar	Slattery
Bone	Green	McNary	Smathers
Bridges	Guffey	Maloney	Stewart
Brown	Gurney	Mead	Thomas, Idaho
Bulow	Hale	Miller	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Tobey
Capper	Hayden	Neely	Townsend
Caraway	Herring	Norris	Tydings
Chandler	Hill	Nye	Vandenberg
Chavez	Holman	O'Mahoney	Van Nuys
Clark, Idaho	Holt	Overton	Wagner
Clark, Mo.	Hughes	Pepper	Walsh
Connally	Johnson, Calif.	Pittman	Wheeler
Danaher	Johnson, Colo.	Radcliffe	White
Donahey	King	Reed	Wiley

Mr. MINTON. The Senator from Virginia [Mr. GLASS] is absent because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from South Carolina [Mr. SMITH] is unavoidably detained.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

### RELIEF OF CERTAIN DISBURSING AGENTS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department, which, with the accompanying paper, was referred to the Committee on Claims.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Council of the City of Cambridge, Mass., favoring increased appropriations for the W. P. A. so as to maintain present quotas and avoid lay-offs, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by Local No. 65 (C. I. O.), United Wholesale and Warehouse Employees, of New York, N. Y., protesting against involvement of the United States in war, and opposing all loans to belligerent countries, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a memorial from Local No. 65 (C. I. O.), United Wholesale and Warehouse Employees, of New York, N. Y., remonstrating against the enactment of legislation to establish a merit-rating plan for unemployment insurance benefits, which was referred to the Committee on Finance.

Mr. WALSH presented a resolution of the Council of the City of Quincy, Mass., favoring additional appropriations for the W. P. A. in the State of Massachusetts, which was referred to the Committee on Appropriations.

Mr. WILEY presented resolutions adopted by the Polish-American Citizens Club, of Milwaukee, Wis., favoring appropriations for Polish relief and the rendering of aid to the people of Poland, and the exiles therefrom, suffering as a result of the twofold invasion of that country, which was referred to the Committee on Foreign Relations.

Mr. BARKLEY presented the following resolution of the General Assembly of the State of Kentucky, which was referred to the Committee on Immigration:

### House Resolution 125

Concurrent resolution requesting the Government of the United States to cause the deportation of undesirable aliens carrying on un-American and subversive activities

Whereas the American Government has proved to be the best ever conceived by man, being capable of amendment and adaptation to meet every human need and condition; and

Whereas the citizens of this Nation are capable of making such changes, adjustments, and adaptations as they may desire and as may be needed, without suggestions, advice, or attempted compulsion of aliens or agents of any foreign government; and

Whereas there are in this country many persons engaged in un-American, subversive, and destructive activities seeking to change our form of government and to undermine the very foundations of our liberties, peace, happiness, and well-being, and much of this un-American and destructive activity was and is being initiated, carried on, and financed by aliens who enjoy the protection of the American flag and the blessing of our free institutions; and

Whereas in these days of wars, international chaos, domestic agitation, and uncertainty it behooves the American people to zealously guard and protect the institutions that have made this the greatest nation in the history of mankind; and

Whereas these problems are of vital concern to the cities of Kentucky as they are to all other American citizens: Now, therefore, be it

Resolved by the General Assembly of the Commonwealth of Kentucky:

1. That we respectfully and urgently request our National Government to use all available means to speedily deport all aliens who are engaged in un-American and subversive activities and who may be advocating or seeking to change, modify, or overthrow our form of government and institutions by force or otherwise, or who are members of or affiliated in any way with any organization engaged in such activities, or that is supported and financed in whole or in part by aliens or by any foreign government.

2. If existing laws do not confer sufficient authority for the deportation of the aliens referred to in this resolution, we respectfully request the National Congress to speedily enact necessary legislation.

3. A copy of this resolution shall be sent by the secretary of state to the President of the United States, to the clerk of the United States Senate, to the Clerk of the United States House of Representatives, to the Secretary of Labor, and to the Kentucky representatives in the United States Senate and the United States House of Representatives.